Effected with certain Lloyd's Underwriters ('the Underwriters') through Lloyd's Approved Coverholder ('the Coverholder')

COVERHOLDER & BROKER: **ARTHUR J. GALLAGHER CANADA LIMITED**
101 - 4430 West Saanich Road, Victoria, BC V8Z 3E9 Phone: (250) 386-1454

SCHEDULE & DECLARATIONS

POLICY NO: CP2010161 PREMIUM: $18,418

INSURED: OWNERS STRATA PLAN NW1063

MAILING ADDRESS: C/O COASTAL RAINFOREST REALTY CORPORATION
411-9-45905 YALE ROAD, CHILLIWACK, BC V2P 8E6

LOCATION ADDRESS: 9200 MARY STREET, CHILLIWACK, BC V2P 4H6

OCCUPANCY: COMMERCIAL STRATA

POLICY PERIOD: FROM: OCTOBER 10, 2025 TO: OCTOBER 10, 2026
(12:01 AM STANDARD TIME)

MORTGAGEE AND/OR LOSS PAYEE, AS THEIR INTERESTS MAY APPEAR:
(Subject to Standard IBC Mortgage Clause)

NONE

The insurance contract consists of this declarations page as well as all coverage, wordings, rider, or endorsements that are attached hereto.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

PROPERTY SECTION

FORM #	COVERAGE	DEDUCTIBLE	LIMIT
911000-05	ALL PROPERTY - "ALL RISKS" FORM	$2,500	$6,817,500
	REPLACEMENT COST ENDORSEMENT		Included
	90% CO-INSURANCE		
911516-01	WATER DAMAGE	$10,000	Included
911303-02 & 981357-01	SEWER BACK-UP	$10,000	Included
911301-01	EARTHQUAKE	10%, $250,000 minimum	Included
911302-01	FLOOD	$50,000	Included
981359-01	EXTERIOR GLASS	$250	Included
911521-02	GLASS DAMAGE DEDUCTIBLE ENDORSEMENT		
911304-03	STATED AMOUNT CLAUSE		Included
981356-01	EXTENDED REPLACEMENT COST - 130%		Included
915000-02	CRIME		
	A. EMPLOYEE DISHONESTY	$500	$10,000
	B. MONEY, SECURITIES AND OTHER PROPERTY		$10,000
	C. COUNTERFEIT CURRENCY AND MONEY ORDERS		$10,000
	D. FORGERY, ALTERATION, CREDIT CARD AND AUTOMATED TELLER CARD		$10,000
	E. ELECTRONIC FRAUD AND FUNDS TRANSFER FRAUD		$10,000
	F. PROPERTY IN SAFE DEPOSIT BOXES		$10,000
	G. INCOMING CHEQUE FORGERY		$10,000
	SUPPLEMENTARY COVERAGES		
	CLIENT OR CUSTOMER PROPERTY		$10,000
	PROFESSIONAL FEES		$10,000

PROPERTY SECTION

FORM #	COVERAGE	DEDUCTIBLE	LIMIT
91100A	PROPERTY GROUP ONE - BLANKET	$1,000	$500,000
	AUTOMATIC FIRE SUPPRESSION RECHARGE		Included
	BRANDS AND LABELS		Included
	BUILDING DAMAGE BY THEFT		Included
	ERRORS AND OMISSIONS		Included
	LANDSCAPING AND GROWING PLANTS		Included
	MASTER KEY	$500	Included
	NEWLY ACQUIRED BUSINESS CONTENTS		Included
	PERSONAL EFFECTS – OFFICERS, EMPLOYEES, CUSTOMERS AND GUESTS		Included
	PROFESSIONAL FEES		Included
	SEASONAL STOCK		Included
91100A	PROPERTY GROUP TWO – ADDITIONAL LIMITS		Included
	ACCOUNTS RECEIVABLE		$250,000
	BUILDING AND BUSINESS CONTENTS – NEWLY ACQUIRED LOCATIONS	$1,000	$2,500,000
	BUILDING IMPROVEMENTS/BETTERMENT – COURSE OF CONSTRUCTION	$1,000	$250,000
	BUILDING UPGRADE		$50,000
	BUSINESS CONTENTS AWAY FROM PREMISES	$1,000	$100,000
	BUSINESS CONTENTS IN TRANSIT	$1,000	$50,000
	BUSINESS PROPERTY AT RESIDENCE	$1,000	$10,000
	BYLAWS		$100,000
	CATCH ALL		$50,000
	CLEANUP EXPENSES FOR LAND AND WATER POLLUTION	$1,000	$100,000
	CONFISCATED OR SEIZED PROPERTY	$1,000	$25,000
	ENVIRONMENTAL UPGRADE		$1,000,000
	EXPEDITING EXPENSE		$50,000
	EXTRA EXPENSE		$50,000
	EXTERIOR PAVING	$2,500	Included
	FINE ARTS WITHOUT SCHEDULE	$1,000	$25,000
	FIRE FIGHTING EXPENSE		$100,000
	INFESTATION	$1,000	$25,000
	INSPECTION AND APPROVAL COSTS		$10,000
	INSTALLATION FLOATER	$1,000	$25,000
	REMOVAL – DEBRIS REMOVAL EXPENSE		$100,000
	REWARD		$10,000
	STOCK CONTAMINATION	$1,000	$25,000
	STOCK SPOILAGE – DISTANCE 25 KMS	$1,000	$25,000
	VALUABLE PAPERS AND RECORDS		$250,000
	VALUABLE PROPERTY	$1,000	$1,000

PROPERTY SECTION

FORM #	COVERAGE	DEDUCTIBLE	LIMIT
911256-02	REALTY EXTENSION ENDORSEMENT		
	A. EMERGENCY EVACUATION EXPENSE		$100,000
	B. EMERGENCY REMOVAL OF PROPERTY OF OTHERS		$100,000
	C. INCREASED PROPERTY MANAGEMENT FEES		$50,000
	D. REAL ESTATE TAX ASSESSMENT INCREASE		$25,000
	E. SITE SECURITY CHARGE		$50,000
	F. TENANT RELOCATION EXPENSE		$25,000
911257-01	CONDOMINIUM CORPORATION ENDORSEMENT		
	UNIT BETTERMENTS AND IMPROVEMENTS	$1,000	$100,000
	COMMON EXPENSES	$1,000	$50,000
	CONDOMINIUM UNIT OWNERS PROPERTY	$1,000	$50,000
	TRUSTEE FEES	$2,500	$50,000
	ADDITIONAL LIVING EXPENSE		Not Covered
910000-01	POLICY CONDITIONS		
910001-04	PROPERTY, CRIME AND EQUIPMENT BREAKDOWN CONDITIONS		
910502-01	SANCTIONS EXCLUSION ENDORSEMENT		
981358-01	VACANT PROPERTY AMENDMENT ENDORSEMENT		
LMA5096	SEVERAL LIABILITY NOTICE		
LMA5393	COMMUNICABLE DISEASE ENDORSEMENT		
LMA5401	CYBER AND DATA EXCLUSION		
NMA2802	ELECTRONIC DATA RECOGNITION EXCLUSION		
NMA2915	ELECTRONIC DATA ENDORSEMENT B		

LEGAL EXPENSE SECTION

Insuring Clauses			**LIMIT OF INDEMNITY**
CPLGL(03.2022): CONDOMINIUM / STRATA LEGAL EXPENSE (CLAIMS MADE BASIS)			
1.1 CIVIL DEFENCE	Any One Claim	$	150,000
1.2 CRIMINAL DEFENCE	Any One Claim	$	150,000
1.3 PERSONAL INJURY	Any One Claim	$	150,000
1.4 PROPERTY DISPUTES	Any One Claim	$	150,000
1.5 DEFENCE OF DISPUTES WITH OWNERS	Any One Claim	$	150,000
1.6 CONTRACT DISPUTES	Any One Claim	$	150,000
AGGREGATE LIMIT: FOR ALL CLAIMS NOTIFIED TO THE UNDERWRITING MANAGER DURING THE POLICY PERIOD.		$	500,000

LMA5484: Cyber Risks Exclusion

Fee Limit: Legal fees of the Insured’s Lawyer up to a maximum hourly rate of $350.00 per hour.

*Notwithstanding the Limits of Indemnity listed, **Legal Expenses** are subject to the **Fee Limit** listed above. Any legal fees charged in excess of $350.00 per hour are the Insured's responsibility.

Any **Legal Expenses** the **Insured** incurs without the **Insurer’s** prior consent will not be covered. Before consulting a lawyer, contact legalexpense@ipgclaims.com.

Lawyer: All claims arising under all the Insuring Clauses are to be handled by a **Lawyer** chosen by the Insured only from the list of approved law firms, as amended from time to time, which will be provided by the Underwriting Manager to the Insured upon request.

Excess: $500 Any One Claim with respect to **Legal Expenses** other than the **Telephone Legal Advisory Service.**

Territorial Limits: Canada

Minimum Sum in Dispute: $5,000.00 – applicable to Insuring Clause 1.6 (Contract Disputes) only.

Retroactive Date: Initial inception when Legal Expense was included in the Declarations.

Telephone Legal Advisory Service: A Legal Advisory Service is provided during normal business hours (8 a.m. – 5 p.m. in all Canadian time zones) in conjunction with this insurance. To contact the Telephone Legal Advisory Service, please phone 1-800-804-9127 or email scor@dolden.com.

You should have your policy number available on request.

Underwriting Manager:	IPG Claims (Canada) legalexpense@ipgclaims.com

Any **Legal Expenses** incurred without the **Insurer’s** prior written consent will not be covered.

Insured includes any director, officer, council member or similar office holder while acting on behalf of the Insured.

CYBER LIABILITY SECTION

CPCYB(10.2019)

Item 1. POLICY LIMITS OF LIABILITY AND COVERAGES PURCHASED $50,000

A. AGGREGATE LIMIT OF LIABILITY
(Aggregate for all coverages combined including Claim Expenses)

B. SUBLIMIT OF LIABILITY FOR INDIVIDUAL COVERAGE(S):

Coverage		Per Claim/Breach Sublimit of Liability (Includes Claim Expenses under A & B)	
A.	SECURITY AND PRIVACY LIABILITY (Including Employee Privacy Coverage)	$50,000	each Claim under Coverage A
B.	SECURITY BREACH RESPONSE COVERAGE	$50,000	each Security Breach
C.	CYBER EXTORTION COVERAGE	$50,000	each Cyber Extortion Threat

Item 2. RETENTION (including Claim Expenses):

Coverage A:	$500	each Claim
Coverage B:	$500	each Security Breach
Coverage C:	$500	each Cyber Extortion Threat

Item 3. RETROACTIVE DATE: October 10, 2025

Item 4. CONTINUITY DATE: October 10, 2025

Item 5. NOTICE OF CLAIM/LOSS TO: Arthur J. Gallagher Canada Limited, 250-386-1454

Item 6. NOTICE OF ELECTION: Arthur J. Gallagher Canada Limited
4430 West Saanich Road, Suite 101, Victoria, BC V8Z 3E9

Item 7. OUR REPRESENTATIVE FOR SERVICE OF SUIT:
Frank Reda, Chief Legal Counsel Canada Corporate P&L
181 University Avenue, Suite 1200, Toronto, ON M5H 3M7

Item 8. CHOICE OF LAW: CANADA

LIABILITY SECTION

FORM #	COVERAGE	DEDUCTIBLE	LIMIT
CPMCGL	COMMERCIAL GENERAL LIABILITY – OCCURRENCE FORM		
	A. BODILY INJURY & PROPERTY DAMAGE LIABILITY	$1,000	$5,000,000
	B. PERSONAL & ADVERTISING INJURY LIAIBLITY	$1,000	$5,000,000
	C. MEDICAL PAYMENTS LIMIT - PER PERSON		$10,000
	- PER OCCURRENCE		$25,000
	D. TENANTS LEGAL LIABILITY		$250,000
	PRODUCTS & COMPLETED OPERATIONS AGGREGATE LIMIT	$1,000	$5,000,000
	GENERAL AGGREGATE LIMIT		$5,000,000
CP.POL	SUDDEN & ACCIDENTAL POLLUTION (120 HRS)	$5,000	$1,000,000
SPF6	NON-OWNED AUTOMOBILE INSURANCE ENDORSEMENT	$1,000	$1,000,000
SEF94	LEGAL LIABLITY FOR DAMAGE TO HIRED AUTOMOBILES		$50,000
SEF99	LONG TERM LEASE EXCLUSION		Included
CPEB	EMPLOYEE BENEFITS LIABILITY AGGREGATE	$1,000	$1,000,000
	CLAIMS MADE BASIS		
CPFF	FOREST FIRE FIGHTING EXPENSE IN THE AGGREGATE	$1,000	$50,000
LMA5022	CANADIAN LAW AND JURISDICTION CLAUSE		
LMA5062	FRAUDULENT CLAIM CLAUSE		
LMA5396	COMMUNICABLE DISEASE EXCLUSION		
LMA5528	CYBER AND DATA EXCLUSION		
NMA1933	PUNITIVE AND EXEMPLARY DAMAGES EXCLUSION		
NMA1978A	NUCLEAR INCIDENT EXCLUSION		
386DAC16	DAC ASBESTOS EXCLUSION		

Additional Insureds Endorsement

It is hereby agreed that the persons and/or entities scheduled below are added as Additional Insureds on Commercial General Liability only.

Name & Address	Interest
Coastal Rainforest Realty Corporation 411-9-45905 Yale Road, Chilliwack, BC V2P 8E6	Property Manager

The term Additional Insured means a party who is insured only with respect to claims caused by the acts or failure to act of the Named Insured in accordance with all the terms and conditions of this Policy and only with respect to premises, work, products and/or services which are insured under this Policy.
Such Additional Insured endorsed hereon is not insured under this policy for any of their own acts or failure to act.
All other terms and conditions remain unchanged.

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DIRECTORS & OFFICERS LIABILITY SECTION

FORM #	COVERAGE	DEDUCTIBLE	LIMIT
BCDO2000-5	DIRECTORS & OFFICERS LIABILITY		
	- PER CLAIM LIMIT OF LIABILITY FOR POLICY PERIOD	$1,000	$2,000,000
	- AGGREGATE		$2,000,000
BCDO5115-1	CONFIDENTIALITY BREACH COVERAGE		$50,000
BCDO2220-1	EXCESS SIDE A (DIRECTORS & OFFICERS)		
	- PER CLAIM LIMIT OF LIABILITY FOR POLICY PERIOD		$1,000,000
	- AGGREGATE		$1,000,000
	PRIOR ACTS COVERAGE		
	CLAIMS MADE FORM		
	PENDING AND PRIOR LITIGATION DATE: OCTOBER 10, 2020		
	AMENDED CONDUCT EXCLUSION		
	PRE-DETERMINED ALLOCATION ENDORSEMENT – 80%		
	PROPERTY MANAGERS ENDORSEMENT		
	POLLUTION EXCLUSION AMENDED		
	AMENDED PROFESSIONAL LIABILITY EXCLUSION		
	THIRD PARTY EMPLOYMENT PRACTICES WRONGFUL ACT		
	AMENDED DEFINITION OF LOSS		
	AMENDED BI/PD EXCLUSION		
	DEFENCE COSTS OUTSIDE OF THE LIMIT		
	AMENDED CONTRACT EXCLUSION		
	EXTENDED REPORTING PERIOD AMENDED		
	MASS EVENT EXCLUSION – CONFIDENTIALITY BREACH COVERAGE		

APPLICABLE TO ALL SECTIONS

FORM #	COVERAGE
NMA2962	BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION
LMA5022	CANADIAN LAW AND JURISDICTION CLAUSE
LMA5028A	SERVICE OF SUIT CLAUSE
LMA5190A	CANADIAN SUBSCRIPTION POLICY
LSW1542F	LLOYD'S UNDERWRITERS POLICYHOLDERS COMPLAINT PROTOCOL
LSW1543E	NOTICE CONCERNING PERSONAL INFORMATION
LSW1550	IDENTIFICATION OF INSURER/ACTION AGAIN INSURER
LSW1554	SUBSCRIPTION POLICY
LSW1565C	CODE OF CONSUMER RIGHTS AND RESPONSIBILITIES

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

This insurance has been effected in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to Agreement No. B1262BW0197225 (hereinafter referred to as 'the Underwriters'). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as 'Lloyd's Underwriters' and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters at: Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2. In addition Quebec Legal proceedings may be served to: c/o Blake, Cassels & Graydon LLP, One Place Ville Marie, Suite 3000, Montréal, Québec H3B 4N8.

NOTICE
Any notice to the Underwriters may be validly given to the Coverholder.

In witness whereof this policy has been signed as authorized by the Underwriters, by Arthur J. Gallagher Canada Ltd.

For the purposes of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' insurance business in Canada.

The insured is requested to read this policy and if incorrect return it immediately for alteration.

In the event of any occurrence likely to result in a claim under this insurance, immediate notice should be given to Arthur J. Gallagher Canada Limited, 101 - 4430 West Saanich Road, Victoria, BC V8Z 3E9, Phone: (250) 386-1454. All Inquiries and disputes are also to be addressed Arthur J. Gallagher Canada Limited.

INSURERS:

As arranged by Arthur J. Gallagher Canada Limited:

Certain Underwriters at Lloyd's led by Hardy (Underwriting Agencies) Ltd, Syndicate HDU 382, Under UMR B1262BW0197225	– 15.00% of Property	$ 2,536.00
Certain Underwriters at Lloyd's led by Beazley Furlonge Ltd, Syndicate AFB 2623, Under UMR B1262BW0524825	– 10.00% of Property	$ 1,691.00
Millennium Insurance Corporation	– 25.00% of Property	$ 4,227.00
Certain Underwriters at Lloyd's led by SCOR Managing Agency Ltd, Syndicate CHN 2015, Under UMR B1262BW0540725	– 100% of Legal Expense	$ 207.00
Millennium Insurance Corporation	– 100% of Cyber	$ 150.00
Millennium Insurance Corporation	– 100% of Liability	$ 1,031.00
Berkley Insurance Company	– 100% of D&O Liability	$ 480.00

As arranged by Vailo Insurance Service Ltd.:

Certain Underwriters at Lloyd's Under UMR B2429BW2501069	– 10.00% of Property	$ 8,096.00
Certain Underwriters at Lloyd's Under UMR B2429BW2507587	– 10.00% of Property	$ included
Certain Underwriters at Lloyd's Under UMR B2429BW2506763	– 10.00% of Property	$ included
Certain Underwriters at Lloyd's Under UMR B2429BW2507658	– 8.00% of Property	$ included
Certain Underwriters at Lloyd's Under UMR B2429BW2506469	– 12.00% of Property	$ included

ARTHUR J. GALLAGHER CANADA LIMITED

PER:

Authorized Representative

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

GENERAL INSURING AGREEMENT

The Insurer agrees to provide the insurance described in the forms and endorsements annexed:

a. in exchange for the payment of the premium;
b. in reliance upon the statements in the applications and **"**Policy Declarations**"**; and
c. subject to all applicable terms, conditions, exclusions and limitations.

NOTICE TO INSURED

Various provisions restrict coverage. Read the entire policy documents to determine:

a. each Insured's rights and duties; and
b. what coverage is and is not afforded in the forms and endorsements annexed.

I. APPLICABLE TO ALL COVERAGES

The following Policy Conditions, as modified or supplemented by forms or endorsements attached, apply to all coverages insured by this policy.

POLICY CONDITIONS

1. **WORDS AND PHRASES IN QUOTATION MARKS**
   Words and phrases in quotation marks have special meaning and are defined in the form or endorsement to which such words and phrases apply.

2. **CHANGES TO POLICY**
   The policy contains all the agreements between the Insured and the Insurer concerning the insurance provided. Notice to any agent or knowledge possessed by any agent or by any other person will not affect a waiver or a change in any part of this policy or estop the Insurer from asserting any right under the terms of this policy. The policy terms can be amended or waived only by an endorsement issued by the Insurer to form part of the policy.

3. **CONFORMITY WITH LEGISLATION**
   If any term, condition, exclusion or limitation of this policy conflicts with applicable provincial or territorial legislation, such term, condition, exclusion or limitation is amended to conform to such legislation. All other terms, conditions, exclusions and limitations of this policy are unchanged.

4. **CURRENCY**
   All limits of insurance, premiums and other amounts are expressed in Canadian currency.

5. **DECLARATION OF EMERGENCY - EXTENSION OF TERMINATION OR POLICY PERIOD**
   The effective date of termination of this policy by the Insurer or the expiry date of this policy is extended, subject to the conditions and definitions set out below, as follows when an "emergency" is declared by a Canadian public authority designated by statute for the purpose of issuing such an order.
   a. The "emergency" must have a direct effect or impact on:
      i. the Insured, the insured site or insured property located in the declared emergency area; or
      ii. the operations of the Insurer or its agent/broker located in the declared emergency area.
   b. i. Any time limitation described in the Termination condition of this policy, with respect to termination of this policy by the Insurer, will not continue to run until the "emergency" is terminated plus the lesser of:
         (a) 30 days; or
         (b) the number of days equal to the total time the "emergency" order was in effect.
      ii. If this policy is due to expire during an "emergency", it will continue in force until the "emergency" is terminated plus the lesser of:
         (a) 30 days; or
         (b) the number of days equal to the total time the "emergency" order was in effect.
   c. In no event will the total term of this extension exceed 120 consecutive days.
   d. The Insured will be responsible for the pro rata premium earned for the additional time the Insurer remains on risk as a result of the above.
   e. For the purpose of this condition "emergency" means the first statutory declaration of an emergency:
      i. with respect to a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature a disease or other health risk an accident or an act whether intentional or otherwise; or
      ii. as provided for by the relevant governing legislation if different from i.

   "Emergency" does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

6. **EXCLUSION TITLES**
   Exclusion titles are solely for reference and do not in any way affect the content of the exclusion to which they relate.

7. **INSPECTIONS AND SURVEYS**
   a. The Insurer and its authorized representatives shall have the right but are not obligated to:
      i. inspect the premises, property or operations of the Insured;
      ii. inform the Insured of the conditions found; and
      iii. recommend changes.
   b. Except as stated in paragraph c. of this condition any inspections, surveys, findings or recommendations relate only to insurability and the premiums to be charged. They do not constitute a warranty that the premises, property or operations are safe or healthful or comply with laws, codes or standards.
   c. If required under provincial or municipal statutes, ordinances, bylaws or regulations, the Insurer will inspect, survey, report and make recommendations relative to certification of boilers, pressure vessels or elevators.

8. **LIBERALIZATION**
   If, during the policy period, the Insurer changes any of the forms attached to this policy so as to broaden the coverage without increasing the premium charged, the same change will apply to this policy from the date the Insurer makes the change.

9. **TERMINATION AMENDMENT**
   a. If the policy is made or deemed to be made in any province or territory, other than the Province of Quebec, the termination condition, Statutory Condition 5, is modified as follows:
      i. The contract may be terminated
         (a) by the Insurer giving to the Insured:
            (1) 5 days' written notice of termination, for any reason, if personally delivered,
            (2) 15 days' written notice of termination by registered mail if the contract is terminated for non-payment of premium, or
            (3) 30 days' written notice of termination by registered mail if the contract is terminated for any reason other than non-payment of premium;
         (b) by the insured at any time on request.
      ii. If the contract is terminated by the Insurer,
         (a) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
         (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
      iii. If the contract is terminated by the Insured, the Insurer must refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
      iv. The 15 or 30 day period referred to in subparagraph a. i. of this condition:
         (a) if the policy is made or deemed to be made in the provinces of Alberta, British Columbia or Manitoba, starts to run on the day the registered letter or notification of it is delivered to the Insured's postal address.
         (b) if the policy is made or deemed to be made in any other province or territory, other than Alberta, British Columbia, Manitoba or Quebec, commences to run on the day following receipt of the registered letter at the post office to which it is addressed.
   b. If the policy is made or deemed to be made in the Province of Quebec, the termination condition, General Condition 12, is modified as follows:
      i. This policy may be cancelled at any time:
         (a) by notice in writing given to the Insurer by each of the Insured's named in the policy. The termination takes effect upon receipt of the notice.
         (b) by the Insurer giving written notice which will be sent to every Insured named in the policy. The termination takes effect:
            (1) if the policy is cancelled for non-payment of premium, 15 days after notice is received by the Insured at the Insured's last known address;
            (2) if the policy is cancelled for any other reason, 30 days after notice is received by the Insured at the Insured's last known address.
      ii. The Insured named in the policy may, however, give one or more of their number the mandate of receiving or sending the notice of termination.
      iii. Where this policy is terminated by the Insurer:
         (a) the Insurer will refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time; and
         (b) the refund will accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund will be made as soon as practicable.
      iv. Where this policy is terminated by the Insured, the Insurer will refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time.

      In this Condition, the words "premium actually paid" means the premium actually paid by the Insured to the Insurer or its representative but the "premium actually paid" does not include any premium or part of the premium paid to the Insurer by a representative unless actually paid to the representative by the Insured.

10. SHORT RATE TERMINATION TABLES

FOR POLICIES WITH A 12 MONTH POLICY PERIOD (% of premium to be returned)											
Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %
1	95	37 - 40	79	97 - 98	63	154 - 156	47	219 - 223	31	292 - 296	15
2	94	41 - 43	78	99 - 102	62	157 - 160	46	224 - 228	30	297 - 301	14
3 - 4	93	44 - 47	77	103 - 105	61	161 - 164	45	229 - 232	29	302 - 305	13
5 - 6	92	48 - 51	76	106 - 109	60	165 - 167	44	233 - 237	28	306 - 310	12
7 - 8	91	52 - 54	75	110 - 113	59	168 - 171	43	238 - 241	27	311 - 314	11
9 - 10	90	55 - 58	74	114 - 116	58	172 - 175	42	242 - 246	26	315 - 319	10
11 - 12	89	59 - 62	73	117 - 120	57	176 - 178	41	247 - 250	25	320 - 323	09
13 - 14	88	63 - 65	72	121 - 124	56	179 - 182	40	251 - 255	24	324 - 328	08
15 - 16	87	66 - 69	71	125 - 127	55	183 - 187	39	256 - 260	23	329 - 332	07
17 - 18	86	70 - 73	70	128 - 131	54	188 - 191	38	261 - 264	22	333 - 337	06
19 - 20	85	74 - 76	69	132 - 135	53	192 - 196	37	265 - 269	21	338 - 342	05
21 - 22	84	77 - 80	68	136 - 138	52	197 - 200	36	270 - 273	20	343 - 346	04
23 - 25	83	81 - 83	67	139 - 142	51	201 - 205	35	274 - 278	19	347 - 351	03
26 - 29	82	84 - 87	66	143 - 146	50	206 - 209	34	279 - 282	18	352 - 355	02
30 - 32	81	88 - 91	65	147 - 149	49	210 - 214	33	283 - 287	17	356 - 360	01
33 - 36	80	92 - 94	64	150 - 153	48	215 - 218	32	288 - 291	16	361 - 366	00

FOR POLICIES WITH A 24 MONTH POLICY PERIOD (% of premium to be returned)											
Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %	Time-on-Risk (Days)	Return %
1 - 2 3 – 5	95 94	74 - 80 81 – 87	79 78	190 - 197 198 – 205	63 62	308 - 314 315 – 321	47 46	438 - 447 448 - 457	31 30	584 - 593 594 - 603	15 14
6 - 9 10 - 13	93 92	88 - 94 95 – 103	77 76	206 - 212 213 – 219	61 60	322 - 328 329 – 335	45 44	458 - 466 467 - 475	29 28	604 - 612 613 - 621	13 12
14 - 17 18 – 21	91 90	104 - 110 111 – 117	75 74	220 - 226 227 – 233	59 58	336 - 343 344 - 351	43 42	476 - 484 485 - 493	27 26	622 - 630 631 – 639	11 10
22 - 25 26 – 29	89 88	118 – 124 125 – 131	73 72	234 - 241 242 – 249	57 56	352 - 358 359 - 365	41 40	494 - 502 503 - 511	25 24	640 - 648 649 - 657	09 08
30 - 33 34 – 37	87 86	132 - 138 139 – 147	71 70	250 - 256 257 – 263	55 54	366 - 374 375 - 383	39 38	512 - 520 521 - 529	23 22	658 - 666 667 – 675	07 06
38 - 41 42 – 45	85 84	148 - 154 155 – 161	69 68	264 - 270 271 – 277	53 52	384 - 392 393 - 401	37 36	530 - 538 539 - 547	21 20	676 - 686 687 - 693	05 04
46 - 52 53 – 59	83 82	162 - 168 169 – 175	67 66	278 - 285 286 – 293	51 50	402 - 410 411 - 419	35 34	548 - 556 557 - 565	19 18	694 - 702 703 - 711	03 02
60 - 66 67 - 73	81 80	176 - 182 183 - 189	65 64	294 - 300 301 - 307	49 48	420 - 428 429 - 437	33 32	566 - 574 575 - 583	17 16	712 - 721 722 - 732	01 00

II. APPLICABLE TO ALL COVERAGES (EXCEPT ACCIDENT INSURANCE) UNDER A POLICY MADE OR DEEMED TO BE MADE IN THE PROVINCE OF ALBERTA

The following Statutory Conditions, as modified or supplemented by forms or endorsements attached, apply to all coverages, except Accident Insurance, insured by this policy.

STATUTORY CONDITIONS

1. MISREPRESENTATION

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 the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

2. PROPERTY OF OTHERS

The insurer is not liable for loss or damage to property owned by a person other than the insured unless

a. otherwise specifically stated in the contract, or
b. the interest of the insured in that property is stated in the contract.

3. **CHANGE OF INTEREST**
The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy and Insolvency Act* (Canada) or a change of title by succession, by operation of law or by death.

4. **MATERIAL CHANGE IN RISK**
   a. The insured must promptly give notice in writing to the insurer or its agent of a change that is
      i. material to the risk, and
      ii. within the control and knowledge of the insured.
   b. If an insurer or its agent is not promptly notified of a change under subparagraph a. of this condition, the contract is void as to the part affected by the change.
   c. If an insurer or its agent is notified of a change under subparagraph a. of this condition, the insurer may
      i. terminate the contract in accordance with Statutory Condition 5., or
      ii. notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
   d. If the insured fails to pay an additional premium when required to do so under subparagraph c. ii. of this condition, the contract is terminated at that time and Statutory Condition 5. b. i. applies in respect of the unearned portion of the premium.

5. **TERMINATION OF INSURANCE**
   a. The contract may be terminated
      i. by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
      ii. by the insured at any time on request.
   b. If the contract is terminated by the insurer,
      i. the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
      ii. the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
   c. If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
   d. The 15 day period referred to in subparagraph a. i. of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

6. **REQUIREMENTS AFTER LOSS**
   a. On the happening of any loss or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9.,
      i. immediately give notice in writing to the insurer,
      ii. deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration
         (a) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the amount of loss claimed,
         (b) 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,
         (c) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
         (d) stating the amount of other insurances and the names of other insurers,
         (e) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
         (f) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
         (g) stating the place where the insured property was at the time of loss,
      iii. if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
      iv. if required by the insurer and if practicable,
         (a) produce books of account and inventory lists,
         (b) furnish invoices and other vouchers verified by statutory declaration, and
         (c) furnish a copy of the written portion of any other relevant contract.
   b. The evidence given, produced or furnished under subparagraph a. iii. and iv. of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12. and 13.

7. **FRAUD**
Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6. invalidates the claim of the person who made the declaration.

8. **WHO MAY GIVE NOTICE AND PROOF**

Notice of loss under Statutory Condition 6. a. i. may be given and the proof of loss under Statutory Condition 6. a. ii. may be made

a. by the agent of the insured, if
   i. the insured is absent or unable to give the notice or make the proof, and
   ii. the absence or inability is satisfactorily accounted for,

or

b. by a person to whom any part of the insurance money is payable, if the insured refuses to do so, or in the circumstances described in clause a. of this condition.

9. SALVAGE

a. In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
b. The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph a. of this condition.

10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the insurer has

a. an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
b. after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
   i. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
   ii. without the insurer's consent, there can be no abandonment to it of the insured property.

11. IN CASE OF DISAGREEMENT

a. In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
b. There is no right to a dispute resolution process under this condition until
   i. a specific demand is made for it in writing, and
   ii. the proof of loss has been delivered to the insurer.

12. WHEN LOSS PAYABLE

Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6. and delivered to the insurer.

13. REPAIR OR REPLACEMENT

a. Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
b. If the insurer gives notice under subparagraph a. of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss and must proceed with all due diligence to complete the work within a reasonable time.

14. NOTICE

a. 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.
b. Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

ADDITIONAL CONDITION

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act.

III. APPLICABLE TO ALL COVERAGES (EXCEPT ACCIDENT INSURANCE) UNDER A POLICY MADE OR DEEMED TO BE MADE IN THE PROVINCE OF BRITISH COLUMBIA

The following Statutory Conditions, as modified or supplemented by forms or endorsements attached, apply to all coverages, except Accident Insurance, insured by this policy.

STATUTORY CONDITIONS

1. MISREPRESENTATION

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 the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

2. PROPERTY OF OTHERS

The insurer is not liable for loss or damage to property owned by a person other than the insured unless

a. otherwise specifically stated in the contract, or
b. the interest of the insured in that property is stated in the contract.

3. CHANGE OF INTEREST

The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy and Insolvency Act* (Canada) or a change of title by succession, by operation of law or by death.

4. MATERIAL CHANGE IN RISK

a. The insured must promptly give notice in writing to the insurer or its agent of a change that is
   i. material to the risk, and
   ii. within the control and knowledge of the insured.
b. If an insurer or its agent is not promptly notified of a change under subparagraph a. of this condition, the contract is void as to the part affected by the change.
c. If an insurer or its agent is notified of a change under subparagraph a. of this condition, the insurer may
   i. terminate the contract in accordance with Statutory Condition 5., or
   ii. notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
d. If the insured fails to pay an additional premium when required to do so under subparagraph c. ii. of this condition, the contract is terminated at that time and Statutory Condition 5. b. i. applies in respect of the unearned portion of the premium.

5. TERMINATION OF INSURANCE

a. The contract may be terminated
   i. by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
   ii. by the insured at any time on request.
b. If the contract is terminated by the insurer,
   i. the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
   ii. the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
c. If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
d. The 15 day period referred to in subparagraph a. i. of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

6. REQUIREMENTS AFTER LOSS

a. On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9.,
   i. immediately give notice in writing to the insurer,
   ii. deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
      (a) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
      (b) 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,
      (c) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
      (d) stating the amount of other insurances and the names of other insurers,
      (e) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
      (f) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
      (g) stating the place where the insured property was at the time of loss,
   iii. if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
   iv. if required by the insurer and if practicable,
      (a) produce books of account and inventory lists,
      (b) furnish invoices and other vouchers verified by statutory declaration, and

(c) furnish a copy of the written portion of any other relevant contract.

b. The evidence given, produced or furnished under subparagraph a. iii. and iv. of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

7. FRAUD

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6. invalidates the claim of the person who made the declaration.

8. WHO MAY GIVE NOTICE AND PROOF

Notice of loss under Statutory Condition 6. a. i. may be given and the proof of loss under Statutory Condition 6. a. ii. may be made

a. by the agent of the insured, if
   i. the insured is absent or unable to give the notice or make the proof, and
   ii. the absence or inability is satisfactorily accounted for, or
b. by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause a, of this condition.

9. SALVAGE

a. In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
b. The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph a. of this condition.

10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the insurer has

a. an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
b. after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
   i. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
   ii. without the insurer's consent, there can be no abandonment to it of the insured property.

11. IN CASE OF DISAGREEMENT

a. In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
b. There is no right to a dispute resolution process under this condition until
   i. a specific demand is made for it in writing, and
   ii. the proof of loss has been delivered to the insurer.

12. WHEN LOSS PAYABLE

Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6. and delivered to the insurer.

13. REPAIR OR REPLACEMENT

a. Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
b. If the insurer gives notice under subparagraph a. of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

14. NOTICE

a. 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.
b. Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

ADDITIONAL CONDITION

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the *Insurance Act*.

IV. APPLICABLE TO ALL COVERAGES (EXCEPT ACCIDENT INSURANCE) UNDER A POLICY MADE OR DEEMED TO BE MADE IN THE PROVINCE OF MANITOBA

The following Statutory Conditions, as modified or supplemented by forms or endorsements attached, apply to all coverages, except Accident Insurance, insured by this policy.

STATUTORY CONDITIONS

1. MISREPRESENTATION

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 the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

2. PROPERTY OF OTHERS

The insurer is not liable for loss or damage to property owned by a person other than the insured unless

a. otherwise specifically stated in the contract, or
b. the interest of the insured in that property is stated in the contract.

3. CHANGE OF INTEREST

The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

4. MATERIAL CHANGE IN RISK

a. The insured must promptly give notice in writing to the insurer or its agent of a change that is
   i. material to the risk, and
   ii. within the control and knowledge of the insured.
b. If an insurer or its agent is not promptly notified of a change under subparagraph a. of this condition, the contract is void as to the part affected by the change.
c. If an insurer or its agent is notified of a change under subparagraph a. of this condition, the insurer may
   i. terminate the contract in accordance with Statutory Condition 5., or
   ii. notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
d. If the insured fails to pay an additional premium when required to do so under subparagraph c. ii. of this condition, the contract is terminated at that time, and Statutory Condition 5. b. i. applies in respect of the unearned portion of the premium.

5. TERMINATION OF CONTRACT

a. The contract may be terminated
   i. by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
   ii. by the insured at any time on request.
b. If the contract is terminated by the insurer,
   i. the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
   ii. the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
c. If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
d. The 15-day period referred to in subparagraph a. i. of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

6. REQUIREMENTS AFTER LOSS

a. On the happening of any loss or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9.,
   i. immediately give notice in writing to the insurer,
   ii. deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration
      (a) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the amount of loss claimed,
      (b) 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,
      (c) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
      (d) stating the amount of other insurances and the names of other insurers,
      (e) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
      (f) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and

        (g) stating the place where the insured property was at the time of loss,
    iii. if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
    iv. if required by the insurer and if practicable,
        (a) produce books of account and inventory lists,
        (b) furnish invoices and other vouchers verified by statutory declaration, and
        (c) furnish a copy of the written portion of any other relevant contract.
b. The evidence given, produced or furnished under subparagraph a. iii. and iv. of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

7. FRAUD

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

8. WHO MAY GIVE NOTICE AND PROOF

Notice of loss under Statutory Condition 6. a. i. may be given and the proof of loss under of Statutory Condition 6. a. ii. may be made

a. by the agent of the insured if
    i. the insured is absent or unable to give the notice or make the proof, and
    ii. the absence or inability is satisfactorily accounted for, or
b. by a person to whom any part of the insurance money is payable, if the insured refuses to do so, or in the circumstances described in clause a. of this condition.

9. SALVAGE

a. In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
b. The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph a. of this condition.

10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the insurer has

a. an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
b. after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
    i. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
    ii. without the insurer's consent, there can be no abandonment to it of the insured property.

11. IN CASE OF DISAGREEMENT

a. In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
b. There is no right to a dispute resolution process under this condition until
    i. a specific demand is made for it in writing, and
    ii. the proof of loss has been delivered to the insurer.

12. WHEN LOSS PAYABLE

Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

13. REPLACEMENT

a. Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
b. If the insurer gives notice under subparagraph a. of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss and must proceed with all due diligence to complete the work within a reasonable time.

14. NOTICE

a. 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.
b. Written notice to the insured may be personally delivered at, or sent by registered mail addressed to the insured's last known address as provided to the insurer by the insured.

ADDITIONAL CONDITION

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in *The Insurance Act.*

V. APPLICABLE TO THE PROVINCE OF QUEBEC

The following General Conditions, as modified or supplemented by forms or endorsements attached, apply to all perils insured by this policy and to the liability coverage, where provided.

GENERAL CONDITIONS

1. REPRESENTATION OF RISK

The applicant, and the Insured if the Insurer requires it, is bound to represent all the facts known to him which are likely to materially influence an insurer in the setting of the premium, the appraisal of the risk or the decision to cover it, but he is not bound to represent facts known to the Insurer or which from their notoriety he is presumed to know, except in answer to inquiries.

2. MATERIAL CHANGE IN RISK

a. The Insured will promptly notify the Insurer of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it.
b. On being notified of any material change in the risk, the Insurer may cancel the contract or propose, in writing, a new rate of premium. Unless the new premium is accepted and paid by the Insured within 30 days of the proposal, the policy ceases to be in force.

3. MISREPRESENTATIONS OR CONCEALMENT

a. Any misrepresentation or concealment of relevant facts mentioned in 1. and in 2. a. of these General Conditions by the applicant or the Insured nullifies the contract at the instance of the Insurer, even in respect of losses not connected with the risk so misrepresented or concealed.
b. Unless the bad faith of the applicant or of the Insured is established or unless it is established that the Insurer would not have covered the risk if the Insurer had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium the Insurer collected bears to the premium the Insurer should have collected.

4. REPRESENTATIONS OF INSURED

Any increase in risk resulting from a breach of a condition suspends the coverage until accepted by the Insurer or until such breach has been remedied by the Insured.

5. ASSIGNMENT

a. This policy may be assigned only with the consent of the Insurer and in favour of a person who has an insurable interest in the insured property.
b. Upon the death or bankruptcy of an Insured or the assignment of an Insured's interest in the insurance to a co-insured, the insurance continues in favour of the heir, trustee in bankruptcy or remaining Insured, subject to the heir, trustee or remaining Insured performing the obligations that were incumbent upon the Insured.

6. NOTICE OF LOSS AND LOSS INFORMATION

a. The Insured will notify the Insurer of any loss which may give rise to an indemnity, as soon as the Insured becomes aware of it. Any interested person may give such notice.
b. In the event that the requirement set out in 6. a. of this condition is not fully complied with, all rights to compensation will be forfeited by the Insured where such non-compliance has caused prejudice to the Insurer.
c. The Insured will inform the Insurer as soon as possible of all the circumstances surrounding the loss, including its probable cause, the nature and extent of the damage, the location of the insured property, the rights of third parties, and any concurrent insurance; the Insured will also furnish the Insurer with vouchers and attest under oath to the truth of the information.
d. Where, for a serious reason, the Insured is unable to fulfill such obligation, the Insured is entitled to a reasonable time in which to do so. If the Insured fails to fulfill these obligations, any interested person may do so on the Insured's behalf.
e. The Insured will send to the Insurer a copy of any notice, letter, subpoena or writ or document received in connection with a claim.
f. i. Any person making a deceitful representation forfeits the right to indemnity for the risk to which the representation relates.
   ii. If the occurrence of the event insured against entails the loss of both movable and immovable property or of both property for occupational use and personal property, forfeiture is incurred only with respect to the class of property to which the representation relates.

7. SAFEGUARDING AND EXAMINATION OF PROPERTY

At the expense of the Insurer, the Insured must take all reasonable steps to prevent further loss or damage to the insured property and any further loss or damage resulting directly or indirectly from the Insured's failure to take such action will not be recoverable.
The Insured may not abandon the damaged property if there is no agreement to that effect. The Insured will facilitate the salvage and inspection of the insured property by the Insurer.

The Insured will, in particular, permit the Insurer and its authorized representatives to visit the premises and examine the insured property before repairing, removing or modifying the damaged property, unless so required to safeguard the property.

8. REPLACEMENT

Subject to the rights of preferred creditors and mortgagees, the Insurer reserves the right to repair, rebuild or replace the insured property. The Insurer is then entitled to salvage and may take over the property.

9. TIME OF PAYMENT

If the Insured has complied with all the terms of the contract, the Insurer will pay the indemnity within 60 days after receiving the proof of loss or, at the Insurer's request, all relevant information and supporting documents.

Any outstanding premium may be deducted from the indemnity payable.

10. WAIVER

Neither the Insurer nor the Insured will be deemed to have waived any term or condition of the policy by any act relating to arbitration or to the completion or delivery of proof of loss, or to the investigation or adjustment of the claim.

11. LIMITATION OF ACTIONS

Every action or proceeding against the Insurer under this policy will be commenced within 3 years from the date the right of action has arisen.

12. TERMINATION

a. This policy may be cancelled at any time:
   i. By notice in writing given to the Insurer by each of the Insured's named in the policy. The termination takes place upon receipt of the notice.
   ii. By the Insurer giving prior notice which will be sent to every Insured named in the policy. The termination takes place 15 days after notice is received by the Insured at the Insured's last known address.
b. The Insured named in the policy may, however, give one or more of their number the mandate of receiving or sending the notice of termination.
c. Where this contract is terminated by the Insurer,
   i. the Insurer will refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time; and
   ii. the refund will accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund will be made as soon as practicable.
d. Where this contract is terminated by the Insured, the Insurer will refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time.

In this Condition, the words "premium actually paid" mean the premium actually paid by the Insured to the Insurer or its representative but the "premium actually paid" does not include any premium or part of the premium paid to the Insurer by a representative unless actually paid to the representative by the Insured.

13. NOTICE

Any notice to the Insurer may be sent by any recognized means of communication to the Insurer or its authorized representative. Notice may be given to the Insured named in the policy by letter personally delivered to the Insured or by mail addressed to the Insured at the Insured's last known address.

It is incumbent upon the sender to prove that such notice was received.

VI. APPLICABLE TO ALL PROVINCES AND TERRITORIES EXCEPT THE PROVINCES OF ALBERTA, BRITISH COLUMBIA, MANITOBA AND QUEBEC

The following Statutory Conditions, as modified or supplemented by forms or endorsements attached, apply to all perils insured by this policy (including fire).

STATUTORY CONDITIONS

1. MISREPRESENTATION

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.

2. PROPERTY OF OTHERS

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.

3. **CHANGE OF INTEREST**
The Insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act (Canada) or change of title by succession, by operation of law, or by death.

4. **MATERIAL CHANGE**
Any change material to the risk and within the control and knowledge of the Insured avoids the contract as to the part affected by the change, 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. Alternatively, the Insurer may notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within 15 days of the receipt of the notice, pay to the Insurer an additional premium. In default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

5. **TERMINATION**
   a. This contract may be terminated,
      i. by the Insurer giving to the Insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered;
      ii. by the Insured at any time on request.
   b. Where this contract is terminated by the Insurer,
      i. the Insurer shall refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time, but, in no event, shall the proportionate premium for the expired time be less than any minimum retained premium specified; and
      ii. 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.
   c. 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.
   d. The refund may be made by money, postal or express company money order or cheque payable at par.
   e. The 15 days mentioned in subparagraph a. i. 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.

6. **REQUIREMENT AFTER LOSS**
   a. Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11;
      i. immediately give notice thereof in writing to the Insurer;
      ii. deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration;
         (a) giving a complete inventory of the lost or damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed;
         (b) 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;
         (c) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured;
         (d) showing the amount of other insurances and the names of other insurers;
         (e) showing the interest of the Insured and of all others in the property with particulars of all liens, mortgages, encumbrances and other charges upon the property;
         (f) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
         (g) showing the place where the insured property was at the time of loss or damage;
      iii. if required, give a complete inventory of undamaged property showing in detail quantities, cost, actual cash value;
      iv. if required and if practicable, produce accounts, warehouse receipts ,stock lists, invoices and other pertinent records, verified by statutory declaration, as well as any relevant contracts or agreements with others.
   b. The evidence furnished under clauses a. iii. and iv. of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

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

8. **WHO MAY GIVE NOTICE AND PROOF**
In case of absence or inability of the Insured to give notice of loss or make proof of loss, notice of loss may be given and proof of loss may be made by the agent of the Insured. If the Insured fails to give notice immediately, the notice of loss may be given and the proof of loss may be made by a person to whom any part of the insurance money is payable.

9. **SALVAGE**

a. The Insured, in the event of any loss or damage to any insured property, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other insured property including, if necessary, removal to a secure location.
b. The Insurer shall contribute proportionately, according to the respective interests of the parties, towards any reasonable and proper expenses in connection with steps taken by the Insured and required under subparagraph a. of this condition.

10. ENTRY, CONTROL, ABANDONMENT
After loss or damage to insured property, the Insurer has 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. After the Insured has secured the property, the Insurer has a further right of access and entry sufficient to enable its agents to make appraisement or particular estimate of the loss or damage. The Insurer is not entitled to the control or possession of the insured property. There can be no abandonment of insured property without the Insurer's consent.

11. APPRAISAL
In the event of disagreement as to the value of the insured property, or the value of 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 recover 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 for one is made in writing and until after proof of loss has been delivered.

12. WHEN LOSS PAYABLE
The loss is payable within 60 days after completion of the proof of loss, unless the contract provides for a shorter period.

13. REPLACEMENT
a. The Insurer, instead of making payment, may repair, rebuild or replace the property lost or damaged, giving written notice of its intention to do so within 30 days after receipt of the proof of loss.
b. In that event, the Insurer shall commence to repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall proceed with all due diligence to completion of the work.

14. ACTION
Every action or proceeding against the Insurer for the recovery of any claim shall be absolutely barred unless commenced within one year after the loss or damage occurs, unless legislation provides otherwise.

15. NOTICE
Any written notice to the Insurer may be sent by registered mail or delivered to the chief agency or any office of the Insurer in Canada. Written notice may be given to the Insured by letter personally delivered to the Insured or by registered mail addressed to the Insured at the Insured's latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

PROPERTY, BUSINESS INCOME, INLAND MARINE, CRIME AND EQUIPMENT BREAKDOWN COMMON CONDITIONS AND EXCLUSIONS FORM 910001-04

The following conditions and exclusions apply to the Property, Business Income, Inland Marine, Crime and Equipment Breakdown form(s) attached to this policy.

I. APPLICABLE TO ALL PROVINCES AND TERRITORIES

COMMON CONDITIONS

1. COINSURANCE
This condition applies separately to each line of coverage for which a coinsurance percentage is shown on the "Policy Declarations" and only when the amount of loss or damage to each line of coverage exceeds $50,000.

a. **Business Income Form**
For Business Income Extended Form 912001 refer to III. COINSURANCE of the form. For Business Income Limited Form 912002 refer to III. COINSURANCE of the form.

b. **Rental Income Form**
If the coinsurance percentage shown on the "Policy Declarations" applies to a rental income form, the following coinsurance condition will apply:
The Insurer will not be liable for a greater proportion of any loss than the limit of insurance shown on the "Policy Declarations" bears to the coinsurance percentage shown of the "annual rental Income" or a proportionately increased multiple thereof where the maximum "indemnity period" exceeds twelve (12) months.

c. **Other Insurance Form**
If the coinsurance percentage shown on the "Policy Declarations" applies to any other insurance coverage, the following coinsurance condition will apply:
The Insured will maintain insurance for at least the amount produced by multiplying the value of the insured property by the coinsurance percentage shown on the "Policy Declarations". Otherwise, the Insured will be entitled to recover only the portion of any loss that the limit of insurance in force at the time of loss bears to the limit of insurance required to be maintained by this condition.

2. COOPERATION
The Insured will cooperate with the Insurer in the investigation and settlement of all claims.

3. EXAMINATION OF BUSINESS RECORDS
The Insurer or its authorized representatives have the right to examine the Insured's business records as they relate to this insurance at any time during the policy period and up to 3 years afterwards.
This condition will not restrict the Insurer's rights as they relate to claims presented under this policy.

4. INTENTIONAL ACT
The Insurer is never liable to compensate for injury resulting from the Insured's intentional act.
Where there is more than one Insured, the obligation of coverage remains in respect of those Insureds who have not committed an intentional act.
Where the Insured is liable for injury caused by a person for whose acts the Insured is liable, the obligation of coverage subsists regardless of the nature or gravity of that person's act.

5. MULTIPLE DEDUCTIBLES
If a claim is insured by this Policy under more than one coverage form and such coverage forms are subject to this conditions form, the following deductible hierarchy will apply:

a. If the coverage forms involved in one occurrence are property forms, then regardless of the number of property forms involved in the loss only one deductible amount will be applied to the insured loss and the deductible amount will be the deductible amount that is the highest of the property forms applicable.
b. if the coverage forms involved in one occurrence are crime forms, then regardless of the number of crime forms involved in the loss only one deductible amount will be applied to the insured loss and the deductible amount will be the deductible amount that is the highest of the crime forms applicable.
c. if the coverage forms involved in one occurrence are equipment breakdown forms, then each applicable deductible will be applied to the insured loss.
d. if the coverage forms involved in one occurrence are property forms and equipment breakdown forms, then:
   i. if stock spoilage coverage is involved in the insured loss, any deductible applicable to stock spoilage coverage will be applied;
   ii. if other property forms and equipment breakdown forms are involved in the insured loss, only the highest deductible amount will be applied to the insured loss that is not subject to stock spoilage coverage.
e. if the coverage forms involved in one occurrence are property forms and crime forms, then regardless of the number of forms involved in the loss only one deductible amount will be applied to the insured loss and the deductible amount will be the deductible amount that is the highest of the property and crime forms applicable.
f. if the coverage forms involved in one occurrence are property forms, crime forms and equipment breakdown forms, then:
   i. if stock spoilage coverage is involved in the insured loss, any deductible applicable to stock spoilage coverage will be applied;
   ii. if other property forms, crime forms and equipment breakdown forms are involved in the insured loss, only the highest deductible amount will be applied to the insured loss that is not subject to stock spoilage coverage.

This condition does not apply to:

a. any waiting period deductible. If a deductible for physical damage and a business income or rental income waiting period deductible apply to one occurrence, then these deductibles will be applied separately.
b. Earthquake Shock Endorsement 911301
c. Earthquake Shock Endorsement Builders Risk Insurance 913351
d. Flood Endorsement 911302
e. Flood Endorsement Builders Risk Insurance 913353
f. Sewer Back-Up Endorsement 911303

6. NO BENEFIT TO THIRD PARTY BAILEE
This insurance will not directly or indirectly benefit any third party bailee.

7. NOTICE TO POLICE
The Insured will give immediate notice to the police when loss is due or suspected to be due to any criminal act.

8. OTHER INSURANCE
When other collectible insurance is available to the Insured for loss or damage covered by coverage forms that are subject to this conditions form, the Insurer will be liable for no greater proportion of any loss or damage than the limits of insurance as shown on the most recently filed "statement of values" or the values reported to and accepted by the Insurer, at the location the loss occurred at, or the applicable limit of the coverage, bears to the whole amount of insurance covering such property. For property of others within the insured's care, custody and control for which the Insured is legally liable under the coverage forms that are subject to this conditions form, or to insurance that is more specific to the coverage, this insurance will apply as excess over any valid and collectable insurance.

9. SUBROGATION
a. Unless otherwise provided, the Insurer is subrogated to the rights of the Insured against the persons responsible for an insured loss, up to the amount of indemnity paid or liability assumed under coverage forms that are subject to this conditions form.
b. All rights of subrogation are waived against:
   i. any corporation, firm, individual or other interest with respect to which insurance is provided by coverage forms that are subject to this conditions form; or
   ii. any person who is a member of the Insured's household.
c. Any release from liability entered into by the Insured prior to loss will not affect the right of the Insured to recover.
d. 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 will be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.
e. When the interest of an Insured in any recovery is limited to the amount provided under a deductible or co-insurance clause, the Insurer has control of the action.
f. When the interest of an Insured in any recovery exceeds that referred to in I. 9. e. and the Insured and the Insurer cannot agree as to:
   i. the solicitors to be instructed to bring the action in the name of the Insured;
   ii. the conduct and carriage of the action or any related matters;
   iii. any offer of settlement or the apportionment of an offer of settlement, whether an action has been commenced or not;
   iv. the acceptance or the apportionment of any money paid into Court;
   v. the apportionment of costs; or
   vi. the launching or prosecution of an appeal;

   either party may apply to the Court for the determination of the matters in question, and the Court may make any order it considers reasonable having regard to the interests of the Insured and the Insurer in any recovery in the action or proposed action or in any offer of settlement.
g. On an application under I. 9. f. the only parties entitled to notice and to be heard on the application are the Insured and the Insurer, and no material or evidence used or taken on the application is admissible on the trial of an action brought by or against the Insured or the Insurer.
h. A settlement or release given before or after an action is brought does not bar the rights of the Insured or the Insurer unless they have concurred in the settlement or release.

10. THIRD PARTY PROPERTY
In the event of any loss or damage to insured property belonging to others, the Insurer may settle the claim for such loss or damage with the owners of such property.

II. APPLICABLE TO ALL PROVINCES AND TERRITORIES

COMMON EXCLUSIONS

The following exclusions apply to all Property, Business Income, Inland Marine, Crime and Equipment Breakdown coverage forms and any endorsements attached to those coverage forms, and if there is any conflict or inconsistency between the below common exclusions and what is contained elsewhere in the policy the common exclusion will apply to the extent possible.

The Property, Business Income, Inland Marine, Crime and Equipment Breakdown forms and endorsements attached to these forms do not insure**:**

1. CONTAGIOUS DISEASE

a. Loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a "contagious disease" or the fear or threat (whether actual or perceived) of a "contagious disease", regardless of any other cause or event contributing concurrently or in any other sequence thereto. The above exclusion includes, without limitation to the scope of the foregoing:

   i. any cost to clean up, detoxify, remove, monitor or test:

      (a) for a "contagious disease", or

(b) any property insured that is affected by such “contagious disease”, and

ii. any measures taken by any governmental, public or other authority or any other person for the prevention, suppression, mitigation, cleaning or removal of any “contagious disease”.

b. This exclusion will not apply to direct physical loss or direct physical damage to property and any resulting consequential loss, to the extent that an insured establishes that such direct physical loss or direct physical damage was directly caused by fire, lightning, explosion, impact by aircraft, spacecraft or land vehicle, windstorm, or hail, as described in “named perils”.

2. CYBER RISK

Loss or damage caused directly or indirectly by “Cyber risk”. The coverage forms that are subject to this conditions form do not insure any loss, costs, damage or expense arising from or contributed to by “cyber risk” from one or more of the following:

a. Loss of, alteration of, or damage to, corruption of, or a reduction in the functionality, availability or operation of any “computer and/or network system” or “data”, whether the property of the Insured or not;

b. Any access to or disclosure of any person's or organization's confidential, personal, proprietary or other nonpublic information in any recordable form, including without limitation expenses associated with notification, remediation, mitigation or prevention of a security breach; or

c. Extortion threats, fraud or theft involving any “computer and/or network system”, or any other electronic data system or any confidential, personal, proprietary or other nonpublic information.

This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder will remain in full force and effect.

3. DATA

Loss of or damage to “Data” except where specifically provided by IV. SUPPLEMENTARY COVERAGES of the coverage form.

4. DATA PROBLEM

Loss or damage caused directly or indirectly by a "data problem”. This exclusion does not apply to resultant direct physical loss or direct physical damage caused directly by :

a. fire, lightning, explosion, smoke, leakage from “fire protective equipment”, impact by aircraft, spacecraft or land vehicle, windstorm, hail, as described in “named perils”; or

b. the escape of water from any tank, apparatus or pipe;

but only to the extent that such loss would otherwise be insured. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for ensuing direct physical loss or direct physical damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas.

5. MARINE AND WATERBORNE PROPERTY

Loss of or damage to property insured under the terms of any Marine Insurance, and property while waterbourne except while on a regular ferry or railway car transfer in connection with land transportation.

6. NUCLEAR INCIDENT AND RADIOACTIVE CONTAMINATION

a. Loss or damage caused directly or indirectly by any nuclear incident (as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;

b. by contamination by radioactive material.

This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

7. POLLUTION

a. Loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean up". This exclusion does not apply:

i. to coverage for "clean up" where specific coverage is provided by IV. SUPPLEMENTARY COVERAGES of the coverage form;

ii. if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is directly caused by direct physical loss or direct physical damage by a peril not otherwise excluded in this form; or

iii. to direct physical loss or direct physical damage caused directly by a resultant peril not otherwise excluded in this form.

b. The cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

8. TERRORISM

Loss or damage caused directly or indirectly, in whole or in part, by "terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism". This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder will remain in full force and effect.

9. WAR, INVASION, ACT OF FOREIGN ENEMY

Loss or damage caused directly or indirectly by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

III. DEFINITIONS

Wherever used in this PROPERTY, BUSINESS INCOME, INLAND MARINE, CRIME AND EQUIPMENT BREAKDOWN COMMON CONDITIONS AND EXCLUSIONS FORM:

1. "clean up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants" including testing which is integral to the aforementioned processes.

2. “computer and/or network system” means any computer, hardware, software, process, program, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, information repository, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, website or any other electronic data system, owned or operated by the Insured or any other party.

3. “contagious disease” means any type of disease or illness which can be transmitted by means of any substance or agent from any organism to another organism where:
   a. the substance or agent includes, but is not limited to, any pathogen, virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not;
   b. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas, or between organisms; and
   c. the disease, illness, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property of any type.

4. “cyber risk” means an unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any “computer and/or network system”.

5. "data" means representations of information or concepts, in any form.

6. "data problem" means:
   a. erasure, destruction, corruption, misappropriation, misinterpretation of "data";
   b. error in creating, amending, entering, deleting or using "data"; or
   c. inability to receive, transmit or use "data".

   But “data problem” does not mean “cyber risk”.

7. "fire protective equipment" includes tanks, water mains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
   a. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
   b. any water mains or appurtenances located outside of the "premises" and forming a part of the public water distribution system; or
   c. any pond or reservoir in which the water is impounded by a dam.

8. "named perils" means:
   a. fire or lightning;
   b. explosion: the following are not explosions within the intent or meaning of this form:
      i. electric arcing or any coincident rupture of electrical equipment due to such arcing;
      ii. bursting or rupture caused by hydrostatic pressure or freezing; or
      iii. bursting or rupture of any safety disc, rupture diaphragm or fusible plug.
   c. impact by aircraft, spacecraft or land vehicle: the terms aircraft and spacecraft include articles dropped from them. The Insurer will not be liable for loss or damage:
      i. that is cumulative;
      ii. caused by land vehicles belonging to or under the control of the Insured or any of the Insured’s employees;
      iii. to aircraft, spacecraft or land vehicles causing the loss; or
      iv. caused by any aircraft or spacecraft when being taxied or moved inside or outside of a "building".
   d. riot, vandalism or malicious acts: the term riot includes open assemblies of strikers and of locked-out employees inside or outside the "premises". The Insurer will not be liable for loss or damage:
      i. due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
      ii. due to flood or release of water impounded by a dam, or due to any explosion other than an explosion as insured by this form; or
      iii. due to theft or attempted theft.
   e. smoke due to a sudden, unusual and faulty operation of any stationary furnace. The Insurer will not be liable for any cumulative damage.
   f. leakage from "fire protective equipment": leakage or discharge from, collapse of, or rupture due to freezing of "fire protective equipment" for the "premises" or adjoining structures.
   g. windstorm or hail. The Insurer will not be liable for loss or damage:

i. to the interior of the "building" or "business contents" inside the "building" unless damage occurs concurrently with and results from an aperture caused by windstorm or hail; or
ii. directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence or landslip.

9. “newly acquired location(s)” means locations:
   a. acquired by the Insured after the beginning of the current policy period for the first 90 days after the acquisition;
   b. owned, leased, occupied or controlled by the Insured; and
   c. within Canada.

10. "pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

11. "premises" means:
   a. the entire area within the property lines at the location(s) described on the "Policy Declarations";
   b. areas under adjoining sidewalks and driveways; and
   c. in or on vehicles within 100 metres of such locations.
   But “Premises” does not mean “newly acquired location(s)”.

12. “statement of values” means a listing of all insured property to which this Form is applicable in a form acceptable to the Insurer, that:
   a. Shows the value for each item of insured property that is listed; and
   b. includes an attestation, signed and dated by the Insured, that the values shown are the current values of the insured property.

13. "terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

IV. APPLICABLE TO ALL PROVINCES AND TERRITORIES

MORTGAGE CLAUSE

The following is only applicable where the interest of the Mortgagee is on Building(s), and does not apply to any other type of property insured under this policy. This condition only applies to those mortgagees who are specifically listed on the "Policy Declarations" as loss payees.

It is hereby provided and agreed that:

1. BREACH OF CONDITIONS BY MORTGAGOR, OWNER OR OCCUPANT

This insurance and every documented renewal thereof - as to the interest of the mortgagee only therein - is and will be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk;

a. PROVIDED ALWAYS that, in the Province of Quebec, the Mortgagee will promptly notify the Insurer (if known) of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it; and that every increase of risk (not permitted by the policy) will be paid for by the Mortgagee – on reasonable demand - from the date such risk existed, according to the established scale of rates for the acceptance of such increased risk, during the continuance of this insurance.
b. PROVIDED ALWAYS that, in all provinces and territories other than the Province of Quebec, the Mortgagee will promptly notify the Insurer (if known) of any vacancy or non-occupancy extending beyond 30 consecutive days, or of any transfer of interest or increased hazard that has come to their knowledge; and that every increase of hazard (not permitted by the policy) will be paid for by the Mortgagee - on reasonable demand - from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.

2. RIGHT OF SUBROGATION

Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that - as to the Mortgagor or Owner - no liability therefore existed, it will be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation will be limited to the amount of such loss payment and will be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and will thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.

3. OTHER INSURANCE

If there is any other valid and collectible insurance upon the property with loss payable to the Mortgagee - at law or in equity - then any amount payable under that other insurance will be taken into account in determining the amount payable to the Mortgagee.

4. WHO MAY GIVE PROOF OF LOSS

In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or to deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.

5. TERMINATION

The term of this mortgage clause coincides with the term of the policy;

a. PROVIDED ALWAYS that, in the Province of Quebec, the Insurer reserves the right to cancel the policy as provided by Article 2477 of the Civil Code of Quebec, but agrees that the Insurer will neither cancel nor amend the policy to the prejudice of the Mortgagee without 15 days' notice to the Mortgagee by registered letter.
b. PROVIDED ALWAYS that, in all provinces and territories other than the Province of Quebec, the Insurer reserves the right to cancel the policy in accordance with the provisions of the Termination condition set out in the Statutory Conditions attached to

this policy, but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Termination condition.

6. **TRANSFER OF TITLE (For the Province of Quebec); FORECLOSURE (For all other provinces and territories)**
Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance will continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THIS MORTGAGE CLAUSE (and these will supersede any policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this policy is made payable to the Mortgagee.
Further, with respect to Equipment Breakdown insurance, if insured under this policy, the Insurer reserves the right to suspend insurance, which will include any insurance applying to the interest of the Mortgagee, on any Object in accordance with the suspension condition of the Equipment Breakdown insurance, and the Insurer agrees to furnish the Mortgagee, a copy of the suspension notice.

This endorsement changes the following form:
POLICY CONDITIONS - 910000

The following condition is added to I. APPLICABLE TO ALL COVERAGES:

Sanctions
Notwithstanding any other terms under this policy, we will not provide any coverage to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Canada, the European Union, United Kingdom or United States of America.

All other terms, conditions, exclusions and limitations remain unchanged.

I. INDEMNITY AGREEMENT

In the event of direct physical loss of or direct physical damage to insured property sustained during the policy period by an insured peril, the Insurer agrees to indemnify the Insured subject to the terms and conditions of this form to an amount not exceeding the least of:

1. the value of the lost or damaged property as determined in V. SPECIAL CONDITIONS;
2. the interest of the Insured in the property;
3. the limit of insurance shown on the "Policy Declarations" for the lost or damaged property.

The inclusion of more than one person or interest will not increase the Insurer's liability.

II. INSURED PROPERTY

The following is insured property under this form, provided a limit of insurance is shown in the "Policy Declarations":

1. Property at the "premises" described as:
   "Building"
   "Equipment"
   "Stock"
   "Business Contents"
   "All Property"
2. Property as described in IV. SUPPLEMENTARY COVERAGES.

III. INSURED PERILS AND EXCLUSIONS

A. INSURED PERILS

This form insures, except as otherwise provided, against all risks of direct physical loss of or direct physical damage to the insured property.

B. EXCLUSIONS

1. EXCLUDED PROPERTY

This form does not insure loss of or damage to:

a. Animals
All animals. This exclusion does not apply to direct physical loss or direct physical damage caused directly by "named perils" or by theft or attempted theft

b. Automobiles, watercraft and aircraft
Automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, including motors or other accessories attached to or mounted on such property. This exclusion does not apply to:
i. watercraft, trailers, amphibious or air cushion vehicles held for sale;
ii. unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "premises".

c. Electrical devices
Electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing. This exclusion does not apply to direct physical loss or direct physical damage caused directly by resultant fire or explosion as described in this form.

d. Growing plants outside the building
Growing plants, trees, shrubs or flowers, all while outside the "building" except as provided in IV. SUPPLEMENTARY COVERAGES.

e. Money and negotiable items
"Money", "cash cards", "securities", stamps, tickets (except lottery tickets) and tokens, "digital currency", electronic fund transfers, or evidence of debt or title.

f. Pressure vessels, electrical equipment, turbines
i. (a) Any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure, including moving or rotating machinery or parts connected to them;
(b) ASME (American Society of Mechanical Engineers) approved Boiler or pressure vessels which are normally subject to vacuum or internal pressure other than static pressure of contents including:
(1) boiler;
(2) condensate return tank;
(3) fired pressure vessel;
(4) fibreglass reinforced plastic vessel, or metal unfired vessels,
(5) refrigeration or air conditioning vessels and piping; or
(6) metal piping and its accessories including:
(i) feed water piping between any boiler and its feed pumps or injectors;
(ii) boiler condensation return piping;
(iii) chilled water piping connected to and forming part of a refrigeration or air conditioning system;
(iv) arrangement of piping used in conjunction with hot water heating system, together with valves, radiators and fittings connected to such system, provided such systems are not encased or requiring excavation;
(v) any unfired pressure vessels which is used for the storage of gas or liquid and which is periodically filled, moved, emptied and refilled in the course of its normal service, will be considered as connected ready for use within the terms of the policy;
(vi) mechanical or electrical equipment mounted on or forming part thereof used solely for the purposes of monitoring or controlling such object.

(c) Mechanical, electrical machine or apparatus which generates, transmits or utilizes mechanical or electrical power including electronic equipment meaning;
   (1) any data processing, calculating or computing equipment, or any electronic machine, device or instrument;
   (2) any x-ray machine, magnetic resonance imaging (MRI), computed tomography (CT scan), electronic microscope, laser, particle accelerator, beta gauge, spectrograph including equipment used for research, diagnostic, treatment, experimental medical or scientific purposes or any equipment or apparatus utilizing radio-active materials: or
   (3) any equipment used for the generation, control, transmission, reception, reproduction, playback or any other use of television, radio, or telecommunications signals.

ii. This exclusion does not apply to:
   (a) tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water;
   (b) manually portable gas cylinders;
   (c) explosion of natural, coal or manufactured gas;
   (d) explosion of gas or unconsumed fuel within a furnace or within the gas passages from the furnace to the atmosphere; or
   (e) other property insured by this form that has been damaged by the explosion of vessels, apparatus or pipes while undergoing pressure testing.

g. Property being worked upon or repaired

"Business contents":

i. while actually being worked upon and directly resulting from such work; or
ii. caused by any repairing, adjusting, or servicing of "business contents".

This exclusion does not apply to direct physical loss or direct physical damage caused directly by resultant fire or explosion as described in this form.

h. Property illegally kept or transported

Property that is:

i. illegally acquired, kept, stored or transported; or
ii. seized or confiscated for breach of any law or by order of any public authority, except as provided in IV. SUPPLEMENTARY COVERAGES.

i. Property rented, leased or sold

Property from the time of leaving the Insured's custody if it is:

i loaned or rented or leased to others; or
ii sold by the Insured under conditional sale or instalment payment or other deferred payment plan.

This exclusion does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured.

j. Roadways, walkways and parking lots

Roadways, walkways, exterior parking lots or other similar exterior paved or unpaved surfaces except as provided in IV. SUPPLEMENTARY COVERAGES.

k. Sewers and drains

Sewers, drains or watermains located beyond the "premises" or at a "newly acquired location".

l. Vacant properties

Property at locations which to the knowledge of the Insured, are vacant, unoccupied or shut down for more than 30 consecutive days. This exclusion does not apply to locations:

i. that are shown on the "Policy Declarations" as a seasonal business, and
ii. the seasonal vacancy, unoccupancy or shut down does not exceed 9 consecutive months.

m. Valuable property

Furs, fur garments, "fine arts", jewels, jewellery, pearls, or precious and semi precious stones, bullion, numismatic property, platinum and other precious metals and alloys, except as provided in IV. SUPPLEMENTARY COVERAGES. This exclusion does not apply to direct physical loss or direct physical damage caused directly by "named perils".

2. EXCLUDED PERILS

This form does not insure against loss or damage caused directly or indirectly:

a. Centrifugal force and mechanical breakdown

By centrifugal force, mechanical or electrical breakdown or derangement, in or on the "premises" or at a "newly acquired location". This exclusion does not apply to direct physical loss or direct physical damage caused directly by resultant fire.

b. Change in atmosphere or temperature

i. (a) By dampness or dryness of atmosphere;
   (b) by changes in or extremes of temperature, heating or freezing; or
   (c) by total or partial interruption to the supply of electricity, water, gas or steam;

   whether the result of natural forces or artificial forces, except as provided in IV. SUPPLEMENTARY COVERAGES.

ii. This exclusion does not apply to:
   (a) direct physical loss or direct physical damage caused directly by rupture of pipes or breakage of apparatus not excluded in III. B. 1. h. Pressure vessels, electrical equipment, turbines;
   (b) damage to pipes caused directly by freezing, unless such pipes are excluded in III. B. 1. h. Pressure vessels, electrical equipment, turbines;
   (c) direct physical loss of or direct physical damage to "building" or "equipment" caused directly by "named perils", theft or attempted theft; or
   (d) direct physical loss or direct physical damage caused directly by an accident to a transporting conveyance.

c. Change in texture, finish

i. (a) By shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, or change in colour or texture or finish;
or
(b) by marring, scratching or crushing;
except as provided in IV. SUPPLEMENTARY COVERAGES.
ii. This exclusion does not apply to direct physical loss or direct physical damage caused directly by:
(a) "named perils";
(b) rupture of pipes or breakage of apparatus not excluded in III. B. 1. h. Pressure vessels, electrical equipment, turbines;
(c) theft or attempted theft; or
(d) an accident to a transporting conveyance.

d. Contamination
i. by contamination except as provided in IV. SUPPLEMENTARY COVERAGES.
ii. This exclusion does not apply to direct physical loss or direct physical damage caused directly by:
(a) "named perils";
(b) rupture of pipes or breakage of apparatus not excluded in III. B. 1. h. Pressure vessels, electrical equipment, turbines;
(c) theft or attempted theft; or
(d) an accident to a transporting conveyance.

e. Delay, loss of market or use
By delay, loss of market, or loss of use or occupancy.

f. Dishonest and criminal acts
i. By any dishonest or criminal act committed by the Insured or any agent of the Insured, acting alone or in collusion with others;
ii. by theft or attempted theft committed by any employee of the Insured, acting alone or in collusion with others; or
iii. by any dishonest or criminal act committed by anyone, except as stated in III. B. 2. f. ii., when the Insured or any agent of the Insured knew or ought to have known prior to the loss or damage, of the dishonest or criminal act. This exclusion does not apply if, upon becoming aware of the dishonest or criminal act, the Insured or any agent of the Insured immediately notifies the police and the Insurer.

g. Earthquake
By earthquake. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for direct physical loss or direct physical damage caused directly by resultant fire, explosion, smoke or leakage from "fire protective equipment", all as described in this form. This exclusion does not apply to property in transit.

h. Explosion of pressure vessels, turbines or electrical equipment
i. By explosion (except explosion of gas or unconsumed fuel), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured:
(a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
(b) piping and apparatus or their parts normally containing steam or water under steam pressure from an external source and while under such pressure;
(c) other vessels and apparatus and their connected pipes while under pressure, or while in use or in operation provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure but this exclusion does not apply to direct physical loss or direct physical damage resulting directly from the explosion of manually portable gas cylinders, or of tanks or vessels having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water;
(d) moving or rotating machinery or their parts;
(e) any vessels or apparatus and their connected pipes while undergoing pressure tests but this exclusion does not apply to other insured property damaged by such explosion; or
(f) gas turbines.
ii. This exclusion does not apply to direct physical loss or direct physical damage caused by resultant fire.

i. Flood and other water events
By flood, including "surface water", waves, tides, tidal waves, tsunamis, or the breaking out or overflow, whether a natural or man-made event, of any natural or artificial body of water. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for direct physical loss or direct physical damage caused directly by resultant fire, explosion, smoke, leakage from "fire protective equipment", all as described in this form. This exclusion does not apply to property in transit or direct physical loss or direct physical damage caused directly by leakage from a watermain.

j. Rodents, insects and vermin
By rodents, insects, bats, raccoons, skunks or vermin, except as provided in IV. SUPPLEMENTARY COVERAGES. This exclusion does not apply to direct physical loss or direct physical damage caused directly by a peril not otherwise excluded.

k. Seepage and leakage of water
i. By seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings, foundations, basement floors, sidewalks or sidewalk lights, unless concurrently and directly caused by a peril not otherwise excluded in this form;
ii. by the backing up or overflow of water from sewers, sumps, septic tanks or drains, wherever located, unless concurrently and directly caused by a peril not otherwise excluded in this form; or
iii by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a peril not otherwise excluded in this form.

l. Settling, moving or shifting
By settling, expansion, contraction, moving, shifting or cracking, whether natural or manmade, unless concurrently and directly caused by a peril not otherwise excluded in this form.

m. Smoke
By smoke from agricultural smudging or industrial operations.

n. Snowslide, landslide or earth movement
By snowslide, landslide or other earth movement whether natural or manmade. This exclusion does not apply to:
i. property in transit;
ii. resultant direct physical loss or direct physical damage caused directly by fire, explosion, smoke or leakage from "fire protective equipment".

3. OTHER EXCLUDED LOSS OR DAMAGE
This form does not insure:

a. By-laws and zoning
Any costs arising from the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which makes it impossible to repair or reinstate the property as it was immediately prior to loss, except as provided in IV. SUPPLEMENTARY COVERAGES.

b. Faulty materials and workmanship
The cost of making good:
i. faulty or improper material;
ii. faulty or improper workmanship; or
iii. faulty or improper design.
This exclusion does not apply to direct physical loss or direct physical damage caused directly by a resultant peril not otherwise excluded in this form.

c. Fungi or spores
i. Loss or damage consisting of or caused directly or indirectly, by any "fungi" or "spores".
This exclusion does not apply to direct physical loss or direct physical damage:
(a) if the "fungi" or "spores" are directly caused by a peril not otherwise excluded in this form; or
(b) caused directly by a resultant peril not otherwise excluded in this form.
ii. The cost or expense for any testing, monitoring, evaluating or assessing of "fungi" or "spores".

d. Mysterious disappearance
Against mysterious disappearance, or shortage of "business contents" disclosed on taking inventory.

e. Wear and tear, rust, corrosion and gradual deterioration
Against loss or damage consisting of or caused by:
i. wear and tear;
ii. rust or corrosion; or
iii. gradual deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.
This exclusion does not apply to direct physical loss or direct physical damage caused directly by a resultant peril not otherwise excluded in this form.

4. COMMON EXCLUSIONS
See COMMON EXCLUSIONS section of 910001 PROPERTY, CRIME AND EQUIPMENT BREAKDOWN COMMON CONDITIONS AND EXCLUSIONS
This Form does not insure loss or damage arising from:

a. Contagious Disease

b. Cyber Risk

c. Data

d. Data Problem

e. Marine and Waterborne Property

f. Nuclear Incident and Radioactive Contamination

g. Pollution

h. Terrorism

i. War, invasion, act of foreign enemy

IV. SUPPLEMENTARY COVERAGES

A. GROUP ONE
The limit of insurance applicable to loss or damage covered by any or all coverages described in GROUP ONE is the blanket limit shown on the "Policy Declarations". The limit of insurance applies to any one occurrence of insured loss or damage, irrespective if multiple "premises" suffer loss or damage. Unless stated otherwise, the blanket limit of insurance is in addition to any other limit of insurance applicable under this form.

Any Co-insurance Clause applicable to this form does not apply to GROUP ONE coverages as set out below.

1. AUTOMATIC FIRE SUPPRESSION SYSTEM RECHARGE EXPENSE

This form insures any automatic fire suppression system recharge expense incurred by the Insured due to the leakage of or discharge of the fire suppressant within any automatic fire suppression system at the "premises" where such discharge or leakage is caused by or results from a peril insured against under this form. Automatic fire suppression recharge expenses do not include costs incurred to replace, upgrade or remove any component parts of automatic fire suppression systems.

2. BRANDS AND LABELS

If the Insurer exercises its option to take all or any part of the "stock" involved in a loss, the Insured reserves the right to first remove their trademarks, guarantees, names or other evidence of their interest or connection from the "stock". Where the removal of such marks is impossible or impractical, the "stock" may be stamped as salvage and/or transferred to bulk containers with the cost to be borne by the Insurer.

3. BUILDING DAMAGE BY THEFT

This form insures direct physical loss or direct physical damage (except by fire) to that part of the "building" occupied by the Insured directly resulting from theft or any attempted theft and from vandalism or malicious acts committed on the same occasion, provided that:

a. the Insured is not the owner of such "building" and is legally liable for such damage; and
b. the "building" is not otherwise insured by this form.

4. ERRORS AND OMISSIONS

a. This form insures direct physical loss of or direct physical damage to insured property caused directly by a peril not otherwise excluded at a location owned or occupied by the Insured that is not covered by this form solely due to error or unintentional omission by the Insured of:
   i. an unreported location at the commencement of the current policy period;
   ii. the description of a location; or
   iii. an incorrect deletion of an insured location,

   but only to the extent such direct physical loss or direct physical damage would have been covered under this form in the absence of such error or omission.
b. This coverage only applies if:
   i. the Insured report and correct such error or omission as soon as possible when discovered, and
   ii. the Insured pay any additional premium that may be due.
c. This coverage does not apply if there is coverage applicable under IV. B. 2. BUILDINGS AND BUSINESS CONTENTS AT NEWLY ACQUIRED LOCATIONS.

5. LANDSCAPING AND GROWING PLANTS, TREES, SHRUBS OR FLOWERS IN THE OPEN

This form insures direct physical loss of or direct physical damage to landscaping of the "premises", growing plants, trees, shrubs, lawns or flowers all while outside the "building" caused directly by "named perils" with the exception of windstorm or hail as described in this form or from theft or attempted theft. There will in no event be coverage for:

a. growing crops; or
b. roadways, walkways, exterior parking lots or other similar exterior paved or unpaved surfaces.

6. MASTER KEY COVERAGE

This form insures the cost of replacing or re-tooling locks, following direct physical loss or direct physical damage caused by a peril insured against to master keys, electronic passes or access cards that control doors at the "premises".

7. NEWLY ACQUIRED BUSINESS CONTENTS

a. This form insures direct physical loss of or direct physical damage to "business contents" that are acquired after the beginning of the current policy period that are located at the "premises".
b This coverage will cease on the earliest of:
   i. 90 days from the date of acquisition of such property;
   ii. the date values for such property are reported to the Insurer; or
   iii. the expiration date of this policy.
c. Premium for this coverage will be payable from the date of the acquisition of such newly acquired "business contents".

8. PERSONAL EFFECTS OF OFFICERS, EMPLOYEES, CUSTOMERS AND GUESTS

This form insures direct physical loss of or direct physical damage to personal effects of officers, employees, customers, volunteers and guests of the Insured. The insurance on such property:

a. will not attach if it is insured by the owner unless the Insured is obligated to insure it or is legally liable for its direct physical loss or direct physical damage; and
b. will apply only to direct physical loss or direct physical damage occurring at the "premises or at any newly acquired location for which coverage is provided under this form.

9. PROFESSIONAL FEES

This form insures the reasonable fees payable to the Insured's auditors, accountants, lawyers, architects, engineers, or other consultants, for producing particulars of details of the Insured's loss or losses in order to arrive at the loss payable under this form in the event of a claim. There is no coverage for fees payable to:

a. the Insured's own employees;
b. the Insured's insurance broker;
c. public adjusters; or
d. any claims advocate hired to negotiate settlement on behalf of the Insured.

10. SEASONAL STOCK INCREASE

This form insures increases in "stock" values resulting from seasonal variations. The amount of this coverage will not exceed 50% of the Insured's average monthly "stock" values for:

a. the 12 months immediately preceding the date of loss; or

b. in the event the Insured has been in business for less than 12 months, the average values for the period of time that the Insured has been in business.

B. GROUP TWO

Coverages listed in GROUP TWO are subject to the limit of insurance shown on the "Policy Declarations" for the particular coverage described. Unless stated otherwise, the limit of insurance for each coverage in GROUP TWO is in addition to any other limit of insurance applicable under this form. The limit of insurance applies to any one occurrence of insured loss or damage, irrespective if multiple "premises" suffer loss or damage. Any coverage(s) in GROUP TWO where an aggregate limit is shown on the "Policy Declarations" is subject to an annual policy aggregate limit.
Any Co-insurance Clause applicable to this form does not apply to GROUP TWO coverages as set out below.

1. ACCOUNTS RECEIVABLE

a. This form insures:
   i. all sums due the Insured from customers or credit card companies, provided the Insured is unable to effect their collection as a direct result of direct physical loss of or direct physical damage to records of accounts receivable while the records are located anywhere within the "territorial limits";
   ii. interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such direct physical loss or direct physical damage;
   iii. collection expenses, in excess of normal collection costs and made necessary because of such direct physical loss or direct physical damage; and
   iv. other expenses when reasonably incurred by the Insured in re-establishing records of accounts receivable following such direct physical loss or direct physical damage.

b. This coverage does not insure against loss:
   i. due to bookkeeping, accounting or billing errors or omissions;
   ii. the proof of which, as to factual existence, is dependent upon an audit of records, or an inventory computation; or
   iii. due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of "money", "securities" or other property but only to the extent of such wrongful giving, taking, obtaining, or withholding.

c. Accounts receivable coverage is not subject to the following exclusions of III. B. EXCLUSIONS:
   Centrifugal force and mechanical breakdown;
   Change in atmosphere or temperature;
   Change in texture, finish;
   Contamination;
   Explosion of pressure vessels, turbines or electrical equipment;
   Mysterious disappearance;
   Seepage and leakage of water;
   Settling, moving or shifting;
   Smoke.

d. In the event that the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date the loss occurs, such amount will be based on the Insured's monthly statements and will be computed as follows:
   i. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
   ii. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve months immediately preceding the month in which the loss occurs, or such months for which the Insured has provided monthly statements to the Insurer as compared with such coverage for the same months of the preceding year;
   iii. the amount determined in IV. B. 1. d. i. increased or decreased by the percentage calculated under IV. B. 1. d. ii. will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said loss occurs;
   iv. the amount determined in IV. B. 1. d. iii. will be increased or decreased in conformity with normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the last fiscal month for which statement has been rendered.

   In determining the amount of insured loss of accounts receivable there will be deducted from the total amount of accounts receivable the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an amount to allow for probable bad debts which would normally have been uncollectible by the Insured. On deferred payment accounts receivable, unearned interest and service charges will be deducted.

e. Recoveries
   After payment of loss all amounts recovered by the Insured on accounts receivable for which the Insured has been indemnified will belong and be paid to the Insurer by the Insured up to the total amount of loss paid by the Insurer, but all recoveries in excess of such amounts will belong to the Insured.

2. BUILDINGS AND BUSINESS CONTENTS AT NEWLY ACQUIRED LOCATIONS

a. This form insures direct physical loss of or direct physical damage to insured property at any location that is a "newly acquired location(s)".
b. This coverage will cease on the earliest of:
   i. 90 days from the date of acquisition of each "newly acquired location";
   ii. the date values for such property are reported to the Insurer; or
   iii. the expiration date of this policy.
c. Premium for coverage on newly acquired property is payable from the date of the acquisition of such property.

3. BUILDING IMPROVEMENTS, BETTERMENTS AND COURSE OF CONSTRUCTION

If not insured elsewhere, this form insures direct physical loss of or direct physical damage to additions, improvements and extensions to the "building" during the course of their construction and during construction of new buildings at the "premises". This coverage will apply only to construction that begins after the inception date of this policy and will cease on the earliest of:

a. 90 days from the date such construction begins;
b. on the date values for such construction are reported to the Insurer; or
c. on the expiration date of this policy.

4. BUILDING UPGRADE

a. This form insures the increase in direct costs incurred due to an insured peril, to repair or replace "building" components that are lost or damaged, or to add new "building" components that improve the "building's" resistance to future loss that may result from a peril insured against under this form.
b. The Insurer will pay the least of:
   i. 10% of the sum of
      (a) the total amount payable for the direct physical loss of or direct physical damage to the "building", and
      (b) the amount of the applicable deductible;
   ii. the amount actually expended by the Insured; or
   iii. the limit of insurance shown on the "Policy Declarations" for this coverage.
c. Notwithstanding the reinstatement clause in this form, following a loss under this coverage, the limit of insurance for this coverage will be reduced by the amount payable.
d. This coverage does not apply to any increase in the cost of repair or replacement of "buildings" occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

5. BUSINESS CONTENTS AWAY FROM PREMISES

This form insures direct physical loss of or direct physical damage to "business contents" while away from the "premises":
a. in the custody of a sales representative;
b. while on exhibition;
c. temporarily at any other location; or
d. while being transported to and from any of the above.

This coverage applies only to property while it is within the "territorial limits" and not otherwise insured by this form. There is no coverage for "business contents" at a location owned or leased in whole or in part by the Insured.

6. BUSINESS CONTENTS IN TRANSIT

This form insures direct physical loss of or direct physical damage to "business contents" while in transit within the "territorial limits" and not otherwise insured by this form. There is no coverage for "business contents" at a location owned, leased or controlled in whole or in part by the Insured.

7. BUSINESS PROPERTY AT A RESIDENCE

This form insures direct physical loss of or direct physical damage to "business contents" while at any residence of any officer or employee of the Insured within the "territorial limits". This coverage, however, does not apply to property temporarily away from the "premises" or in transit.

8. BY-LAWS

a. Without increasing the limit of insurance and in the event of direct physical loss of or direct physical damage to insured property by a peril insured under this form, the Insurer will indemnify the Insured for:
   i. loss occasioned by the demolition of any undamaged portion of the insured property;
   ii. the cost of demolishing and clearing the site of any undamaged portion of the insured property;
   iii. any increase in the cost of repairing, replacing, constructing or reconstructing the insured property on the same site or on an adjacent site, of like height, floor area, style and for like occupancy;

   resulting from the enforcement of the minimum requirements of any by-law, regulation, ordinance or law which
   (a) regulates zoning or the demolition, repair or construction of damaged buildings or structures; and
   (b) is in force at the time of such loss or damage.
b. By-laws coverage does not insure against:
   i. the enforcement of any by-law, regulation, ordinance or law, whether known or unknown by the insured, which prohibits the Insured from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy; or
   ii. the enforcement of any by-law, regulation, ordinance or law that could have been enforced in the absence of a loss; or
   iii. direct or indirect loss, damage , cost or expense, arising out of "clean-up" resulting from any actual , alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants"; or
   iv. direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluating, or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".
c. In the event that the limit of insurance on the "building" is exhausted, by-laws coverage will continue to apply, up to the limit of insurance shown on the "Policy Declarations" for this coverage, in any one occurrence.

9. CATCH ALL

This coverage provides an additional limit of insurance in the event that the limit of insurance under any other GROUP TWO coverage is insufficient to provide full indemnity after the application of the deductible for any covered loss or damage that results from a single occurrence. The Insurer will pay the lesser of:
a. the difference between the loss payable and the amount required to fully indemnify the Insured after the application of the deductible; or
b. The liability of the Insurer in respect of this coverage during any one policy period will not exceed, the aggregate shown on the "Policy Declarations" for this coverage. irrespective if multiple locations are impacted in one event.
c. Notwithstanding the reinstatement clause in this form, following a loss under this coverage, the limit of insurance for this coverage will be reduced by the amount payable.

In the event that claims are made under more than one GROUP TWO coverage for a single occurrence, allocation of payment is to be determined by the Insured.

10. CLEAN UP EXPENSES FOR LAND AND WATER POLLUTION

a. This form insures expenses incurred to "clean up" "pollutants" from land and water at the "premises" provided the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":
   i. is sudden, unexpected and unintended from the standpoint of the Insured; and
   ii. first occurs during the policy period.
b. The liability of the Insurer in respect of this coverage during any one policy period will not exceed, the aggregate shown on the "Policy Declarations" for this coverage irrespective if multiple locations are impacted in one event.

c. Notwithstanding the reinstatement clause in this form, following a loss under this coverage, the aggregate limit of insurance for this coverage will be reduced by the amount payable.

d. The Insurer will not be liable for:
   i. expenses for "clean up" away from or beyond the "premises" resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", even if the "pollutants" emanated from the "premises";
   ii. expenses for "clean up" of any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" that began before the effective date of this policy;
   iii. fines, penalties, punitive or exemplary damages;
   iv. expenses incurred for the "clean up" of "pollutants" at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, disposal, processing or treatment of waste.

e. It is a condition precedent to recovery under this coverage that all expenses insured by this coverage must be incurred and reported within 180 days of the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" for which "clean up" expenses are being claimed.

f. The insurance afforded by this coverage will apply as excess over any other valid and collectible insurance available to the Insured or any other interested party.

11. CONFISCATED OR SEIZED PROPERTY

This form insures "business contents" that:

a. were illegally acquired before being purchased by the Insured; and
b. are confiscated or seized from the Insured by public authority.

This coverage does not apply if, at the time of purchase, the Insured knew or ought to have known that the property had been illegally acquired.

12. ENVIRONMENTAL UPGRADE

a. This form insures the increase in direct costs incurred to repair or replace "building" and "equipment" components as a direct result of direct physical loss or direct physical damaged by an insured peril, with those that improve the energy efficiency or environmental emissions rating of the "building" or "equipment".

b. The Insurer will pay the least of:
   i. 10% of the sum of
      (a) the total amount payable for the direct physical loss of or damage to the "building" and "equipment", and
      (b) the amount of the applicable deductible;
   ii. the amount actually expended by the Insured; or
   iii. the limit of insurance shown on the "Policy Declarations" for this coverage.

c. This coverage will not apply to any increase in the cost of repair or replacement of insured property occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

d. The liability of the Insurer in respect of this coverage during any one policy period will not exceed, the aggregate shown on the "Policy Declarations" for this coverage. Notwithstanding the reinstatement clause in this form, following a loss under this coverage, the limit of insurance for this coverage will be reduced by the amount payable.

13. EXPEDITING EXPENSE

This form insures the reasonable additional costs incurred, including overtime and the extra cost of express or other rapid means of transportation, as a result of direct physical loss or direct physical damage by an insured peril:

a. for temporary repairs, and
b. for expediting the permanent repair or replacement of insured property that is lost or damaged.

This coverage does not include any costs related to any "equipment" installed on a temporary basis.

14. EXTRA EXPENSE

a. This form insures the "extra expense" incurred as a result of direct physical loss of or direct physical damage to insured property at the "premises" resulting from a peril insured against under this form, for the period of time required with the exercise of due diligence and dispatch, to restore normal business operations

b. In no event, will the Insurer be liable for:
   i. loss of income;
   ii. "extra expense" in excess of that necessary to continue as nearly as practicable the normal conduct of the Insured's business;
   iii. the cost of repairing or replacing any property that has been damaged or destroyed by an insured loss;
   iv. due to fines or damages for breach of contract, for late or non-completion of orders, or for any penalties of whatever nature;
   v. "extra expense" resulting from any lease, license or order that is suspended, lapsed or cancelled.

c. The actual cash value of substitute or temporary "building" or "equipment" remaining after resumption of normal operations will be taken into consideration in the adjustment of any loss.

15. EXTERIOR PAVING

This form insures direct physical loss of or direct physical damage to roadways, walkways, exterior parking lots or other similar exterior paved or unpaved surfaces at the "premises" arising from an insured peril.

16. FINE ARTS

a. This form insures direct physical loss of or direct physical damage to "fine arts" within the "territorial limits":
   i. that are the property of the Insured; or
   ii. for which the Insured is legally liable.

b. This form also insures newly acquired "fine arts" that are:
   i. (a) acquired by the Insured after the beginning of the current policy period, and
      (b) within the "territorial limits".
   ii. This coverage will cease on the earliest of:
      (a) 90 days from the date of acquisition of "fine arts";
      (b) the date values for such "fine arts" are reported to the Insurer; or
      (c) the expiration date of this policy.
   iii. Premium for coverage IV. B. 16. b. i. newly acquired "fine arts", is payable from the date of such acquisition.

   - iv. The Insurer will not be liable under IV. B. 16. b. i. for more than the actual cash value of such newly acquired "fine arts" and in no event for more than 25% of the total limit of insurance for "fine arts" under this form.
- c. "Fine arts" coverage is not subject to the following exclusions of III. B. EXCLUSIONS:
  Property rented, leased or sold.
  Centrifugal force and mechanical breakdown;
  Change in atmosphere or temperature;
  Change in texture, finish;
  Contamination;
  Explosion of pressure vessels, turbines or electrical equipment;
  Mysterious disappearance;
  Seepage and leakage of water;
  Settling, moving or shifting;
  Smoke.

17. FIRE FIGHTING EXPENSES
This form insures any expenses the Insured is charged by a municipality for fire department services, as a result of a fire or any other insured peril.

18. DAMAGE BY ANIMALS OR INSECTS
This form insures direct physical loss of or direct physical damage to insured property at the "premises" caused directly by rodents, insects, bats, raccoons, skunks or vermin.

19. INSPECTION AND APPROVAL COSTS
This form insures the direct cost of inspections and regulatory approvals that are required as a result of direct physical loss or direct physical damage by an insured peril, to repair, rebuild or reconstruct insured property in accordance with the Basis of Settlement clause contained in this form
This form does not insure:
- a. fines or penalties;
- b. costs or expenses for any testing, monitoring, evaluating or assessing:
  - i. "fungi" or "spores"; or
  - ii. any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants";
- c. any increase in the cost of repair or replacement of insured property occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law;
- d. increased costs due to loss of market, loss of use or occupancy that may result from delays in obtaining or receiving required inspections or approvals.

20. INSTALLATION FLOATER
- a. This form insures the property of the Insured or the property of others for which the Insured is legally liable, including labour required for installation, which the Insured has contracted to install or which will be used in completing an installation contract at a location within "territorial limits".
  Insured property includes:
  - i. supplies, machinery, equipment and materials that will form part of the completed installation;
  - ii. temporary buildings, scaffolding, falsework, forms, hoardings, excavation, site preparation and similar work, to the extent that their replacement or restoration is necessary to complete the project.
- b. Coverage is provided:
  - i. while such property is in transit within the "territorial limits" to the installation site;
  - ii. during temporary storage at locations within the "territorial limits" away from the "premises" while awaiting installation; or
  - iii. while such property is at the installation site, awaiting installation or while being installed.
- c. This coverage does not insure loss or damage
  - i. to buildings except temporary buildings described in a., but building materials and supplies are covered until such time as they become a permanent part of any installation project completed by the Insured;
  - ii. to plans, blueprints, designs, specifications or any similar property;
  - iii. to "contractor's equipment", other than property specified in IV. B.20. a. ii.;
  - iv. to any installation or part of installation from the commencement of use for purposes for which it was intended;
  - v. to property while in airborne transit, unless by scheduled airlines;
  - vi. covered under any guarantee or warranty (expressed or implied) by any contractor, manufacturer or supplier, whether or not such contractor, manufacturer or supplier is an Insured under this coverage.
- d. Installation floater coverage is not subject to the following exclusions of III. B. EXCLUSIONS:
  Property rented, leased or sold.
  Change in texture, finish;
  Contamination;
  Seepage and leakage of water;
  Settling, moving or shifting;
  Smoke.
- e. Coverage ceases at the earliest of:
  - i. the termination of the Insured's interest;
  - ii. the installation being accepted as satisfactory; or
  - iii. the expiry date of this policy.

21. REMOVAL
- a. This form insures insured property that is necessarily removed from the "premises" or a "newly acquired location" to prevent direct physical loss of or direct physical damage to such property. The amount payable under this coverage will not increase the limits of insurance on property at the "premises" shown on the "Policy Declarations".
  This coverage will cease on the earlier of:
  - i. 90 days from the date of the original loss; or
  - ii. the expiry date of this policy.

b. i. This form insures expenses incurred in the removal from the "premises" of debris of the insured property occasioned by direct physical loss or direct physical damage to such property, for which coverage is provided under this form.
   ii. The amount payable under this coverage:
      (a) will not increase the limits of insurance shown on the "Policy Declarations", and
      (b) will not exceed 25% of the sum of:
         (1) the total amount payable for the direct physical loss of or damage to the property insured; and
         (2) the amount of the applicable deductible.
   iii. If in any one occurrence expenses for debris removal exceeds the limit set out in 21. b. ii. or, if exhausted, the limit of insurance for such property, an additional limit, up to the amount shown on the "Policy Declarations" for Debris Removal Expense, is payable.

c. This form also insures expenses incurred in the removal of debris or other property which is not insured by this form but which has been blown by windstorm upon the "premises" or at a "newly acquired location". The amount payable under this coverage will not increase the limits of insurance on property at the "premises" or for a "newly acquired location" shown on the "Policy Declarations".

d. Removal coverage does not apply to costs or expenses:
   i. to "clean up" "pollutants" from land or water;
   ii. for testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants.

e. Expenses for removal of debris will not be considered in the determination of actual cash value for the purpose of any co-insurance clause.

22. REWARD

a. The Insurer will pay for information leading to the arrest and conviction of any person or persons responsible for claims that are paid under this form that result from criminal acts.

b. The Insurer will be the sole judge as to the person or persons to whom a reward is paid and as to the size of the reward. Under no circumstances will a reward be payable to:
   i. the Insured;
   ii. officers and partners of the Insured; or
   iii. members of their household(s).

23. STOCK CONTAMINATION

This form insures direct physical loss of or direct physical damage to the Insured’s food product "stock" resulting from "contamination" while the "stock" is on the "premises".

For the purpose of this coverage only, "contamination" means the introduction of a foreign material or substance into the food product in such a way as to render the food product unfit for its intended consumption as determined by any government authority.

24. STOCK SPOILAGE

a. This form insures direct physical loss of or direct physical damage to "perishable goods" including its packaging on the "premises" due to spoilage caused by dampness or dryness of atmosphere or change of temperature or humidity that is the direct result of:
   i. direct physical loss or direct physical damage by an insured peril to that part of "buildings" or "equipment" that is used for:
      (a) refrigerating, cooling, humidifying, dehumidifying, or heating; or
      (b) generating, converting or transmitting power, including supply lines and pipes and their connections on the "premises".
   ii. interruption to the supply of "utility services" to the "premises". The interruption must be caused by direct physical loss of or direct physical damage to "utility property" that generates or supplies "utility services" to the "premises":
      (a) by an insured peril, and
      (b) the "utility property" that sustains loss or damage, must be located on the "premises".

b. This form does not insure loss or damage resulting from partial or total interruption to the supply of "utility services" arising from:
   i. loss of or damage to any electrical transmission lines or distribution lines or their supporting structures, except for those located on the "premises";
   ii. lack of sufficient capacity; or
   iii. intentional reduction in supply.

c. The Insurer will pay, subject to the limit of insurance for this coverage:
   i. if the "perishable goods" are replaced by the Insured, the actual cost incurred by the Insured;
   ii. if the "perishable goods" are not replaced, the actual cash value of the property.

25. VALUABLE PAPERS AND RECORDS

a. This form insures direct physical loss or direct physical damage to "valuable papers and records" owned by the Insured or held by the Insured in any capacity by an insured peril while located anywhere within the "territorial limits".

b. This coverage does not insure against loss or damage:
   i. directly resulting from errors or omissions in processing or copying unless fire or explosion ensues and then only for direct physical loss or direct physical damage caused by such ensuing fire or explosion;
   ii. to property which cannot be replaced with other of like kind and quality;
   iii. to property held as samples or for sale or delivery after sale; or
   iv. to "data" or "media" caused directly or indirectly by:
      (a) actual work upon such property unless fire or explosion ensues and then only for direct physical loss or direct physical damage caused by such ensuing fire or explosion;
      (b) riot, vandalism or malicious acts; or
      (c) any change or interruption to electric power, electromagnetic waves, whether manmade or natural, or a geomagnetic storm.

c. "Valuable papers and records" coverage is not subject to the following exclusions of III. B. EXCLUSIONS:
   Property rented, leased or sold;
   Centrifugal force and mechanical breakdown;
   Change in atmosphere or temperature;

Change in texture, finish;
Contamination;
Explosion of pressure vessels, turbines or electrical equipment;
Mysterious disappearance;
Seepage and leakage of water;
Settling, moving or shifting;
Smoke.

26. VALUABLE PROPERTY

This form insures furs, fur garments, jewels, jewellery, pearls or precious and semi precious stones, bullion, numismatic property, platinum and other precious metals and alloys, including those of customers and guests. The insurance on such property belonging to customers and guests:

a. will not apply if the property is insured by the owner unless the Insured is obligated to insure it or is liable for its direct physical loss or direct physical damage; and
b. will apply only to direct physical loss or direct physical damage occurring at the "premises".

V. SPECIAL CONDITIONS

1. BASIS OF VALUATION

a. As referred to in this form:
   i. Actual Cash Value:
   Various factors will be considered in the determination of actual cash value. The factors to be considered will include, but not be limited to, replacement cost less any depreciation and market value. In determining depreciation, consideration will be given to the condition of the property immediately before the damage, the resale value, the normal life expectancy of the property and obsolescence.
   ii. Replacement Cost means the cost of replacing, repairing, constructing or reconstructing (whichever is the least) the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation.
   iii. Replacement includes repair, construction or reconstruction with new property of like kind and quality.
b. The value of the insured property will be determined as follows:
   i. on unsold "stock": the actual cash value of the property at the time and place of loss or damage, but in no event to exceed what it would cost to repair or replace with material of like kind and quality;
   ii. on sold "stock": the selling price after allowance for discounts;
   iii. on the property of others in the care, custody or control of the Insured for the purpose of performing work upon it: the amount for which the Insured is liable, but not exceeding the actual cash value at the time and place of loss or damage plus allowance for labour and materials expended to such time;
   iv. on the property of others in the care, custody or control of the Insured that is not to be worked upon: the amount for which the Insured is liable, but not exceeding the actual cash value at the time and place of loss or damage;
   v. on tenant's improvements:
      (a) when damaged or destroyed by an insured peril:
         (1) if repaired or replaced with due diligence and dispatch: the cost to replace improvements on the same site, plus the cost of moving, temporary storage and restoration if repaired or replaced on another site;
         (2) if not repaired or replaced with due diligence and dispatch: that portion of the original cost of the lost or damaged tenant's improvements which the unexpired term of the lease at the time of loss or damage bears to the period(s) from the date(s) such tenant's improvements were made to the expiration date of the lease; or
         (3) if the landlord terminates a lease as a result of an insured peril and the lease calls for insurance proceeds to be paid to the landlord: the cost to repair or replace the damaged improvements, whichever is less.
      (b) when not damaged or destroyed by an insured peril: if, as a result of the building owner exercising the cancellation clause in a lease due to an insured peril, the Insured's interest in improvements reverts to the landlord, the cost to replace improvements on the same site or another site.
      (c) The Insurer will not be liable for any loss of leasehold interest resulting from the Insured exercising the option to cancel a lease.
      (d) No lease renewal options will be considered in any loss settlement unless an offer to renew has been made to and accepted by the landlord, in writing, prior to the loss of or damage to tenant's improvements.
   vi. on business records, other than "valuable papers and records" and prepackaged software:
      (a) the cost of blank "media" for reproducing "data"; and
      (b) the costs of labour to transcribe or copy the "data" when there is a duplicate.
   vii. on unscheduled "fine arts": the greater of:
      (a) the amount paid at the time of purchase by the owner; or
      (b) the most recent professionally appraised value at the time of loss or damage.
   viii. on scheduled "fine arts": the limit specified for each item scheduled on the "Policy Declarations" will apply as the agreed value of such item for the purpose of this insurance, if agreed value is indicated beside the item(s) listed.
   ix. on "valuable papers and records":
      (a) the cost of blank "media" for reproducing lost or damaged "data";
      (b) the cost of gathering or reproducing "data"; and
      (c) the costs of labour to transcribe or copy the "data" onto the "media".
   x. all other insured property under this form and for which no more specific conditions have been set out: the actual cash value at the time and place of loss or damage, but not exceeding what it would then cost to repair or replace with material of like kind and quality.

2. BASIS OF SETTLEMENT - FUNCTIONAL REPLACEMENT COST

a. The limit the Insurer will pay for loss of or damage to insured property will be the amount actually expended by the Insured to repair or replace such property, subject to the following provisions:
   i. the damaged property must be repaired or replaced with due diligence and dispatch;
   ii. the amount the Insurer will pay for any repair or replacement will be limited to the lesser of:
      (a) the cost at the time of the loss or damage to repair such property, or
      (b) the replacement cost of such property at the time of the loss or damage.

    iii. in the event the replacement is by property of a better kind or quality or of larger capacity or size, the liability of the Insurer will not exceed the amount that would be paid if the replacement had been made by property of like, kind, capacity, size and quality;
    iv. in the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that damaged or destroyed and which is capable of performing the same function will be deemed to be new property of like kind and quality for the purposes of this condition.
    v. replacement may be at a different site but the liability of the Insurer will not exceed the amount that would be paid if the replacement had been made at the same site.
b. Failing compliance by the Insured with any of the foregoing provisions, settlement will be made on the basis of actual cash value.
c. Settlement on a replacement cost basis does not apply to:
    i. "stock";
    ii. "fine arts";
    iii. "valuable papers and records";
    iv. manuscripts and records meaning books of account, drawing, card index system and other records, "media", and program devices for electro mechanical data processing or for electronically controlled equipment;
    v. insured property that is obsolete for its original purpose.

3. BREACH OF CONDITION

If the Insured does not comply with a condition of this form, any claim for subsequent loss or damage is not recoverable.
The Insurer will not deny a claim for this reason if the Insured proves that the non-compliance neither caused nor worsened the loss or damage. Coverage will not be affected if the Insured fails to comply with a condition over which the Insured has no control.

4. DEDUCTIBLE

In any one insured loss the Insurer is liable for the amount by which the loss or damage caused by an insured peril exceeds the amount of the deductible shown on the "Policy Declarations".

5. INFLATION GUARD

a. This condition applies only to II. 1. INSURED PROPERTY.
b. The limits of insurance shown on the "Policy Declarations" are deemed to increase during the policy period by the proportion of current inflationary trends.
c. If any of the limits of insurance shown on the "Policy Declarations" are changed at the request of the Insured during the policy period, the effective date of this condition will coincide with the effective date of such change.
d. At the renewal date, the limits of insurance will be increased in accordance with the inflationary trend since the last policy period and the premium will be adjusted accordingly.

6. PERMISSION

Permission is granted:
a. for other insurance concurrent with this form;
b. to make additions, alterations or repairs; and
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.

7. PREMIUM ADJUSTMENT

a. Stock

The Insured has the option of requesting an adjustment of the premium paid for "stock" subject to the following requirements:
i - A specific limit of insurance is shown on the "Policy Declarations" for "stock".
ii - The Insured files with the Insurer within 6 months after the expiry date or anniversary date of the policy period a signed declaration showing the value of "stock" at each "premises" on the last day of each month for the policy period.
iii - Upon receipt of the Insured’s signed declaration, the Insurer will calculate the actual premium for the policy period at the rate applying to each "premises" for the average amount of the total values declared. If the actual premium exceeds the provisional premium, the difference is due and payable immediately upon notice to the Insured
iv - In the event of any monthly declared values being in excess of the amount of insurance, the amount of the excess will not be included in the premium adjustment.

b. Installations

IV. B. 20. Installation Floater is subject to premium adjustment if the estimated annual receipts for installation projects and the adjustment rate are shown on the "Policy Declarations".
    i. The Insured must file with the Insurer, within 6 months after the expiry date or anniversary date of the policy period, a signed declaration showing the actual annual receipts including labour costs received for all installation projects during the policy period.
    ii. Upon receipt of the Insured’s signed declaration the Insurer will calculate the actual premium for the policy period at the adjustment rate. If the actual premium exceeds the provisional premium, the difference is due and payable immediately upon notice to the Insured.
    iii. Any loss in excess of the limit of insurance shown on the "Policy Declarations" will be borne by the Insured, notwithstanding the requirement the premium is to be adjusted on the basis of total annual receipts.

c. The following conditions apply to 7. a. and 7. b.:
    i. The Insured will keep records of the information the Insurer needs for premium calculation, and send copies of such records to the Insurer whenever asked to do so.
    ii. Where the provisional premium exceeds the actual premium, the Insurer will refund the excess premium paid, subject to a minimum retention of 50% of the provisional premium.

8. PROPERTY PROTECTION SYSTEMS

a. The Insured will immediately notify the Insurer of any interruption, flaw or defect in any property protection systems that comes to the knowledge of the Insured.
b. For the purposes of this condition, property protection systems include:
    i. sprinkler or other fire extinguishing systems;
    ii. fire detection systems; or
    iii. intrusion detection systems;

that are located at the "premises".

c. The Insured will immediately notify the Insurer of the cancellation or non-renewal of any contract which provides monitoring or maintenance services to property protection systems or of the notification of the suspension of police service in response to any property protection systems.

9. REINSTATEMENT

Loss under any item of this form will not reduce the applicable limit of insurance, unless specified elsewhere in the form or endorsements attached to this form.

VI. DEFINITIONS

Wherever used in this form or any other property form and its conditions and endorsements, except where otherwise specified:

1. "all property" means "building", "equipment" and "stock".

2. "building" means the building(s) described on the "Policy Declarations" and includes:
   a. fixed structures pertaining to the building and located on the "premises";
   b. additions and extensions communicating and in contact with the building;
   c. permanent fittings and fixtures attached to and forming part of the building including:
      i. elevating devices;
      ii. utility equipment both above and below ground on the "premises" which the insured owns or is legally liable for; and
      iii. domestic appliances installed in dwelling units.
   d. materials, equipment and supplies on the "premises" for maintenance of, and normal repairs and minor alterations to the building or for building services; and
   e. growing plants, trees, shrubs or flowers inside the building used for decorative purposes when the Insured is the owner of the building.

3. "business contents" means "equipment" and "stock".

4. "cash cards" means cards designed to store a cash value by electronic means as a mode of payment, without a personal identification number and without direct access to a bank or other account.

5. "clean up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants" including testing which is integral to the aforementioned processes.

6. "condominium corporation" means a corporation constituted under provincial or territorial legislation relating to condominiums or co-ownership by declaration. It refers to a strata corporation in British Columbia and to a divided co-ownership syndicate in Quebec.

7. "contractors equipment" means:
   a. mobile machinery, cranes and derricks whether or not attached to a licensed automobile;
   b. portable equipment, hand and powered tools;
   c. if reusable and not otherwise insured, scaffolding, falsework, forms, hoardings and portable structures;
   d. accessories and spare parts for VI. 6. a. and b.; and
   e. construction trailers not used for the transportation of materials or equipment described in VI. 6. a., b., c. and d.

8. "data" means representations of information or concepts, in any form.

9. "digital currency" means:
   a. any form of currency that is available only in digital or electronic form, and not physical form; or
   b. any form of currency that is available only in digital or electronic form, and not physical form, that has no central issuing or regulating authority but instead uses a decentralized system to record transactions and manage the issuance of new units.

10. "equipment" means:
    a. generally all contents usual to the business of the Insured including furniture, furnishings, fittings, fixtures, machinery, tools, utensils and appliances other than "building" or "stock". "contractors' equipment" is not deemed to be "equipment" within the meaning of this definition except "contractors' equipment" used only at the "premises";
    b. similar property belonging to others and which the Insured is obliged to insure or for which the Insured is legally liable;
    c. outside communication towers, antennae (including satellite receivers) and equipment attached to them, street clocks and exterior signs, provided the "building" is not otherwise insured by this form; and which the insured owns or is legally liable for;
    d. tenants' improvements which are defined as "building" improvements, alterations and betterments made at the expense of the Insured to a "building" occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such "building". If the Insured purchased the use interest in tenants' improvements made by a predecessor tenant, this form applies as though such tenants' improvements had been made at the expense of the Insured;
    e. "unit improvements and betterments".

11. "extra expense" means the necessary additional cost to conduct the Insured's business over and above the cost that normally would have been incurred to conduct the business during the same period had no insured loss occurred. This additional cost will include the expense of obtaining and using other property or facilities and other similar necessary emergency expenses.

12. "fine arts" includes paintings, etchings, pictures, tapestries and other bona fide works of art (including valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass) and bric-a-brac of rarity, historical value or artistic merit.

13. "fire protective equipment" includes tanks, water mains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
    a. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
    b. any water mains or appurtenances located outside of the "premises" and forming a part of the public water distribution system; or
    c. any pond or reservoir in which the water is impounded by a dam.

14. "fungi" includes, but is not limited to:
    a. any form or type of mould, yeast, mushroom or mildew, whether or not allergenic, pathogenic or toxigenic; and
    b. any substance, vapour or gas produced by or emitted or arising from any fungi or "spores" or resultant allergens, mycotoxins or pathogens.

15. "media" means:
    a. materials on which "data" is recorded or stored; and
    b. program and/or instruction vehicles used in the Insured’s data processing operations.

16. "money" means:
    a. currency, coins, bank notes or registered cheques; and
    b. traveller's cheques and money orders held for sale to the public.

    but "money" does not mean "digital currency" or electronic fund transfers.

17. "named perils" means:
    a. fire or lightning;
    b. explosion: the following are not explosions within the intent or meaning of this form:
        i. electric arcing or any coincident rupture of electrical equipment due to such arcing;
        ii. bursting or rupture caused by hydrostatic pressure or freezing; or
        iii. bursting or rupture of any safety disc, rupture diaphragm or fusible plug.
    c. impact by aircraft, spacecraft or land vehicle: the terms aircraft and spacecraft include articles dropped from them. The Insurer will not be liable for loss or damage:
        i. that is cumulative;
        ii. caused by land vehicles belonging to or under the control of the Insured or any of the Insured’s employees;
        iii. to aircraft, spacecraft or land vehicles causing the loss; or
        iv. caused by any aircraft or spacecraft when being taxied or moved inside or outside of a "building".
    d. riot, vandalism or malicious acts: the term riot includes open assemblies of strikers and of locked-out employees inside or outside the "premises". The Insurer will not be liable for loss or damage:
        i. due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
        ii. due to flood or release of water impounded by a dam, or due to any explosion other than an explosion as insured by this form; or
        iii. due to theft or attempted theft.
    e. smoke due to a sudden, unusual and faulty operation of any stationary furnace. The Insurer will not be liable for any cumulative damage.
    f. leakage from "fire protective equipment": leakage or discharge from, collapse of, or rupture due to freezing of "fire protective equipment" for the "premises" or adjoining structures.
    g. windstorm or hail. The Insurer will not be liable for loss or damage:
        i. to the interior of the "building" or "business contents" inside the "building" unless damage occurs concurrently with and results from an aperture caused by windstorm or hail; or
        ii. directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence or landslip.

18. "newly acquired location(s)" means locations:
    a. acquired by the Insured after the beginning of the current policy period for the first 90 days after the acquisition;
    b. owned, leased, occupied or controlled by the Insured; and
    c. within Canada.

19. "perishable goods" means any insured property:
    a. maintained under controlled conditions for its preservation, and
    b. susceptible to loss or damage if the controlled conditions are not maintained.

20. "Policy Declarations" means the policy declarations applicable to this policy for the current policy period, including any supplementary pages or schedules.

21. "pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

22. "premises" means:
    a. the entire area within the property lines at the location(s) described on the "Policy Declarations";
    b. areas under adjoining sidewalks and driveways; and
    c. in or on vehicles within 100 metres (328 feet) of such locations.

    but "Premises" does not mean "newly acquired locations".

23. "securities" means all negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include "money".

24. "spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".

25. "stock" means:
    a. merchandise of every description usual to the Insured’s business, including supplies and raw materials that are used in the manufacture or processing of such merchandise;
    b. packaging, wrapping and advertising materials for such merchandise; and
    c. property belonging to others and which the Insured is obliged to insure or for which the Insured is legally liable.

26. "surface water" means water or natural precipitation temporarily diffused over the surface of the ground.

27. "territorial limits" means Canada and the continental United States of America.

28. "terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

29. "unit" means the condominium unit as defined in the declaration, description or by-laws of the "condominium corporation" or provincial or territorial legislation relating to "condominium corporations". It refers to a strata lot in British Columbia and to a private portion in Quebec.

30. "unit improvements and betterments" means:
    a. components of the "unit" in which the Insured has a financial interest and which are not required to be insured by the "condominium corporation"; or
    b. construction, upgrades or other changes made to the "unit" by the Insured or completed at the Insured's expense that increase the value of the "unit".

31. "utility property" means communication equipment, satellite receivers, generating plants, transformer stations, switching stations, sub-stations, transformers, pumping stations, sewerage or other apparatus that supplies "utility services" to the "premises".

32. "utility services" means communications, electricity, gas, refrigeration, steam, water or outgoing sewerage service delivered to the "premises" through the use of "utility property".

33. "valuable papers and records" means written, printed or otherwise inscribed documents and records, including "data" and "media", but does not mean "money", "digital currency", electronic fund transfers, "securities" or "fine arts".

This endorsement changes the coverage provided by:
PROPERTY FORM - 911000

The following coverages are added to IV. SUPPLEMENTARY COVERAGES, B., GROUP TWO:

A. EMERGENCY EVACUATION EXPENSE

1. The Insurer will pay all the reasonable and necessary expense incurred by the Insured for the emergency evacuation of residents, tenants, guests or occupants from the "premises" resulting from impending direct physical loss of or direct physical damage to insured property by an insured peril when:
   a. such evacuation is ordered by public authority or an authorized government agency;
   b. it threatens imminent physical danger or loss of life to such residents, tenants, guests or occupants.
2. In no event will the Insurer be liable for any expense if the evacuation is the result of:
   a. a planned evacuation drill;
   b. a medical condition of any person; or
   c. a false alarm.

B. EMERGENCY REMOVAL OF PROPERTY OF OTHERS

1. In the event of direct physical loss of or direct physical damage to insured property by an insured peril, the Insurer will pay the necessary and reasonable costs incurred by the Insured for the removal from the "premises" of personal property of residents, tenants or occupants in order to protect such property from loss or damage or further loss or damage and/or to expedite repairs to the "premises".
   This coverage includes the cost of:
   a. movers, moving equipment, and moving vans;
   b. packing material and packing;
   c. transportation costs to and from a temporary storage location;
   d. storage costs, including rental of container(s), for up to 30 days; and
   e. disconnecting and reconnecting fixtures and equipment.
2. This insurance does not apply to any resultant damage to the personal property of residents, tenants or occupants while such property is in the care, custody or control of the Insured or their agents.
3. If the residents, tenants or occupants have other valid and collectable insurance for removal or storage of their property, then this policy will apply as excess insurance and will be payable only after all other insurance will have been exhausted.
4. This coverage excludes expenses that are more specifically insured elsewhere in this policy.

C. INCREASED PROPERTY MANAGEMENT FEES

1. In the event of direct physical loss or direct physical damage to insured property resulting in a claim under this form, the Insurer agrees to indemnify the Insured:
   a. for incurred expense due to:
      i. any increase in fees payable to their current property management firm; or
      ii. the hiring of a site coordinator by the Insured;
   b. for services that directly result from the restoration of normal services and operations at the "premises", such as:
      i. coordination of repairs/rebuild with the Insured, the residents, tenants or occupants; or
      ii. communication of progress to the residents, tenants or occupants.
2. There is no coverage for the services and fees payable to a public adjuster.

D. REAL ESTATE TAX ASSESSMENT INCREASE

1. In the event that a "building" insured under this form is subject to loss or damage directly caused by a peril not otherwise excluded in this form, and as a direct result of the repairs to, or rebuilding of, or replacement of the "building" with material of like kind and quality, there is an increase in the real estate tax assessment on that "building", the Insurer will pay the Insured for the amount of the increased real estate tax that is solely attributable to the repairs to, rebuilding of, or replacement of the "building".
2. The Insurer will only be liable for such increased real estate tax if it is assessed within 2 years of the date of the insured loss or damage.
3. The liability of the Insurer will not exceed lesser of:
   a. the amount of the increased real estate tax for 2 consecutive annual assessment periods; or
   b. the limit of insurance shown on the "Policy Declarations" for Real Estate Tax Assessment Increase.

E. SITE SECURITY CHARGES

Where it becomes necessary to hire a site security service in order to protect the property, its occupants or the public from any harm or further damage, following an insured property loss, the Insurer will pay the site security costs incurred by the Insured following such a loss provided:

1. no other site security is supplied by the authorities at no direct cost to the Insured; or
2. the security service is not in the regular employment of the Insured at the time of loss, unless costs for additional personnel or overtime are incurred to ensure 24 hours' site security.

F. TENANT RELOCATION EXPENSE

1. In the event of direct physical loss of or direct physical damage to insured property by an insured peril, the Insurer will pay the reasonable and necessary expense incurred by the Insured if any of the Insured's tenants are temporarily evacuated from the "premises" that is made temporary uninhabitable due to such loss or damage.
2. The Insurer will pay the "tenant relocation expense" incurred by the Insured when any evacuated tenant returns within 60 days after the "premises" rented, leased or occupied by that tenant has been repaired, rebuilt or replaced and is ready for occupancy.
3. This coverage excludes expenses recoverable elsewhere in this policy.
4. The limit of insurance shown on the "Policy Declarations" for Tenants Relocation Expense is the most the Insurer will pay for any one occurrence;
5. As used in this endorsement, "tenant relocation expense" means any of the following documented expenses incurred to relocate and return any evacuated tenant to the "premises":

a. packing materials and packing;
b. movers, moving equipment and moving vans;
c. transportation costs to and from the temporary location;
d. insurance coverage for the tenant's personal property during the move;
e. assembly and set up of furniture, fixtures and equipment;
f. unpacking and re-shelving stock and supplies;
g. re-establish public utility and communication services, less refunds from discontinued services;
h. search for temporary quarters; and
i. storage costs while awaiting possession of the temporary quarters or restoration of the existing quarters.
j. rent for temporary accommodation at another location for the Insured's tenants, that is in excess of the rent payable by them at the "premises".

6. "Tenant relocation expense" does not mean:
   a. financial loss due to the termination of a lease or other agreement; or
   b. security deposits or any other payments or penalties made to the landlord or lessor of temporary quarters.

All other terms, conditions, exclusions and limitations remain unchanged.

This endorsement changes insurance provided by:
PROPERTY FORM – 911000

1. The following is added to III. B. 1. EXCLUDED PROPERTY:

   Condominium Unit Owner(s) Property
   a. personal property belonging to the owners of individual "unit(s)" except as provided in this endorsement;
   b. betterments and improvements to individual "units" made or acquired at the expense of the owners of such "units", except as provided in this endorsement.

2. a. Exclusion III.B.1.n. Vacant properties, is deleted and replaced by the following:
      n. Vacant properties
      "Building" or "business contents", if all "units" are to the knowledge of the "Condominium Corporation" vacant or unoccupied for more than 30 consecutive days. This exclusion does not apply to locations:
         i. that are shown on the "Policy Declarations" as a seasonal business, and
         ii. the seasonal vacancy or unoccupancy does not exceed 9 consecutive months.
   b. If the allowable vacancy period shown for Exclusion III.B.1.n. has been amended by endorsement elsewhere in this policy, then such amended vacancy period will apply to this endorsement.

3. The following are added to IV. SUPPLEMENTARY COVERAGES B. - GROUP TWO:

   ADDITIONAL LIVING EXPENSES
   a. This form insures the necessary increase in living expenses, including moving costs, incurred by a "unit" owner to continue as nearly as practicable the normal standard of living of the "unit" owner's household in the event that:
      i. loss or damage caused by an insured peril renders the "unit" untenable. Coverage will be provided for the lesser of:
         (a) the time required, with the exercise of due diligence and dispatch to repair or replace such damaged or destroyed property; or
         (b) the time required for the "unit" owner's household to become settled in alternative quarters.
      ii. access to the "premises" is prohibited by order of civil authority when such order is given as a direct result of damage to neighbouring premises by an insured peril under this form.
   b. If the individual "unit" owner(s) hold other valid and collectable insurance coverage for additional living expenses, then this coverage will apply only as excess insurance and only after all other insurance will have been exhausted.
   c. In any one occurrence, the liability of the Insurer will not exceed the amount shown on the "Policy Declarations" for this coverage.

   BETTERMENTS AND IMPROVEMENTS
   a. The Insurer will indemnify the Insured for loss of or damage to betterments and improvements to individual "units" made or acquired by the owners of such "units", where the "Condominium Corporation" is legally responsible for insuring such property.
   b. If the individual "unit" owner(s) hold other valid and collectable insurance coverage for their betterments and improvements, then this coverage will apply only as excess insurance and only after all other insurance will have been exhausted.
   c. In any one occurrence, the liability of the Insurer will not exceed the amount shown on the "Policy Declarations" for this coverage.

   COMMON EXPENSES
   a. The Insurer will indemnify the "Condominium Corporation" for unpaid common expenses if, as a result of loss or damage to insured property by an insured peril:
      i. the "unit(s)" become untenable; and
      ii. the "unit" owner(s) fail to pay the required contribution for the "unit" towards the common expenses of the "Condominium Corporation".
   b. The liability of the Insurer will cease as soon as the "unit" is repaired and ready for occupancy.
   c. This coverage excludes any special assessment levied by, or on behalf of the "Condominium Corporation" against all "unit" owners due to a shortfall in its operating budget or an insufficiency in its reserve fund.

   CONDOMINIUM UNIT OWNERS PROPERTY
   a. This form insures personal property of a condominium "unit" owner when it is:
      i. in the care, custody or control of the "Condominium Corporation" and for which the "Condominium Corporation" is legally liable; or
      ii. personal property in which all condominium unit owners have an undivided interest.
   b. If the individual "unit" owner(s) hold other valid and collectable insurance coverage for the said property, then this coverage will apply only as excess insurance and only after all other insurance will have been exhausted.

   TRUSTEES FEES
   The Insurer will indemnify the "Condominium Corporation" for reasonable and customary fees paid to an insurance trustee:
   a. when such fee or fees are for services provided to handle a direct loss or damage due to an insured peril under this form for any one occurrence; and
   b. the use of an insurance trustee is in accordance with the Declarations of the "Condominium Corporation" and the Insurance Trust Agreement.

4. The following are added to V. SPECIAL CONDITIONS:

   LOSS ADJUSTMENT
   The "Condominium Corporation" has the exclusive right to adjust any loss with the Insurer, and the owner of a damaged "unit" is bound by such adjustment. The "Condominium Corporation" may, in writing, authorize an owner to adjust any loss to the owner's "unit" with the Insurer.

   LOSS PAYABLE
   Loss, if any, will be payable in accordance with the provisions of the legislation under which the "Condominium Corporation" is constituted. If the legislation has no such provisions, loss, if any, will be payable as stated on the "Policy Declarations".

SUBROGATION

a. The Insurer, upon making any payment or assuming liability for payment under this form, will be subrogated to all rights of recovery of the Insured against others and may bring action in the name of the Insured to enforce such rights.
b. 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 will be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.
c. Except with respect to criminal or intentional acts or vehicle impact, the Insurer agrees with the Insured to waive its right of subrogation as to any claim against:
   (1) the "Condominium Corporation", its directors, property managers, agents and employees; and
   (2) the "unit" owners and, if residents of a "unit" owner's household, his or her "spouse", the relatives of either and any other person under the age 21 in the care of a "unit" owner or his or her "spouse".
d. Independent contractors will not be considered agents or employees of the "Condominium Corporation", its directors, property managers, or of the "unit" owners.
e. Any release from liability entered into by the Insured prior to loss does not affect the right of the Insured to recover.

TERMINATION

In those jurisdictions where the legislation under which the "Condominium Corporation" is constituted prescribes different policy termination conditions from those contained in Policy Conditions Form 900000, such prescribed conditions will apply.

WAIVER OF INSURER'S OPTION TO REPAIR

Where, after a loss, a valid determination is made in accordance with provincial or territorial legislation not to repair or rebuild and any relevant statutory requirements in connection with such determination have been complied with, or where, by virtue of such legislation, the Court has made an order directing the application of insurance monies, the Insurer waives its option to repair and settlement of the loss shall be on an actual cash value basis.

5. In V. SPECIAL CONDITIONS, 3. Breach of Condition is deleted and replaced by the following:

   3. BREACH OF CONDITION
   a. If the "Condominium Corporation" does not comply with a condition of this insurance, any claim for subsequent loss or damage is not recoverable. The Insurer will not deny a claim for this reason if the "Condominium Corporation" proves that the non-compliance neither caused nor worsened the loss or damage.
   b. Coverage will not be affected:
      i. if the "Condominium Corporation" fails to comply with a condition in part of the "premises" over which the "Condominium Corporation" has no control, or
      ii. if the breach is committed by an owner of a "unit" or occupant without the knowledge or consent of "Condominium Corporation".

6. In VI. DEFINITIONS, the definitions of "building" and "business contents" are deleted and replaced by the following:

   2. "building" means the building(s) described on the "Policy Declarations" and includes:
      a. fixed structures pertaining to the building and located on the "premises";
      b. additions and extensions communicating and in contact with the building;
      c. permanent fittings and fixtures attached to and forming part of the building including:
         i. elevating devices;
         ii. utility equipment both above and below ground on the "premises"; and
         iii. domestic appliances or furnishings installed in the condominium "units" when they are to be insured by the "Condominium Corporation".
      d. those parts of the common property or common elements and the "units" as defined in the provincial or territorial legislation or in the registered documents of the "Condominium Corporation";
      e. materials, equipment and supplies on the "premises" for maintenance of, and normal repairs and minor alterations to the building or for building services; and
      f. growing plants, trees, shrubs or flowers inside the building used for decorative purposes which are owned by the "Condominium Corporation".

   3. "business contents" means:
      a. "equipment" and "stock";
      b. personal property owned by the "Condominium Corporation" not included in "building".

7. The following are added to VI. DEFINITIONS:

   "Condominium Corporation" means a corporation constituted under provincial or territorial legislation relating to condominiums or co-ownership by declaration. It refers to a strata corporation in British Columbia and to a divided co-ownership syndicate in Quebec.

   "spouse" means a person:
   a. who is married to or has entered into a civil union with another person and is living with that person;
   b. who has been living with another person and has been publicly represented as that person's spouse:
      i. for at least 3 years; or
      ii. in the following cases, for at least one year if:
         (a) a child has been born or is to be born of their union;
         (b) they have adopted a child together; or
         (c) one of them has adopted a child of the other.

   "unit" means the condominium unit as defined in the declaration, description or by-laws of the "Condominium Corporation" or provincial or territorial legislation relating to "Condominium Corporations". It refers to a strata lot in British Columbia and to a private portion in Quebec.

All other terms, conditions, exclusions and limitations of the policy are unchanged.

CP-AJG EARTHQUAKE SHOCK ENDORSEMENT
911301-01

This endorsement modifies the insurance provided under the property form covering insured property.

This endorsement applies separately to each location for which Earthquake Shock is shown on the "Policy Declarations".

1. **Insured Peril**
   The coverage for insured property is extended to include "earthquake".

2. **Deductible**
   a. The Insurer is liable for the amount by which the loss or damage caused by "earthquake" exceeds the amount of the deductible shown on the "Policy Declarations" for this endorsement in any "earthquake occurrence".
      i. If a percentage deductible is shown, the amount of the deductible will be:
         (a) for property not insured on a "blanket limit basis", that percentage of the limit of insurance shown on the "Policy Declarations" for the property that has sustained loss or damage;
         (b) for property insured on a "blanket limit basis", that percentage of the value of the property that has sustained loss or damage. The value to be used is that shown in the latest "statement of values" filed with the Insurer.
      ii. If both an amount and a percentage are shown on the "Policy Declarations", whichever deductible is greater will apply.
   b. This deductible clause supersedes the provisions of any other deductible clause stated elsewhere in the policy.
   c. This deductible applies separately to each "premises" to which this endorsement applies.

3. **Limit of Insurance**
   If a limit of insurance is shown on the "Policy Declarations" as the Annual Aggregate for this endorsement, that limit is the most the Insurer will pay in a single policy period for all loss or damage caused by "earthquake" sustained during that policy period.

4. **Exclusions**
   This endorsement does not insure loss or damage caused directly or indirectly by any of the following perils whether or not caused by or attributable to "earthquake":
   a. fire, explosion or smoke;
   b. "flood";
   c. leakage from "fire protective equipment"; or
   d. riot, vandalism or malicious acts; or
   e. theft or attempted theft.

5. **Extension of Coverage**
   The Insurer will be liable for loss of or damage to the insured property caused by wind, hail, rain or snow that enters a "building" through an opening in the roof or walls directly resulting from an "earthquake".

6. **Definitions**

   a. "blanket limit basis" means insuring "building" and/or "business contents" at two or more locations that are insured with a single limit of insurance;

   b. "earthquake" includes snowslide, landslide or other earth movements occurring concurrently with and directly resulting from an earthquake shock.

   c. "earthquake occurrence" means all earthquake shocks that occur within 168 consecutive hours, commencing during the policy period on or after the effective date of this endorsement. The expiration of the policy will not reduce the 168 hour period.

   d. "flood" means flood, including "surface water", waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water.

   e. "statement of values" means a listing of all insured property to which this endorsement is applicable in a form acceptable to the Insurer, that:
      i. shows the value for each item of insured property that is listed, and
      ii. includes an attestation, signed and dated by the Insured, that the values shown are the current values of the insured property as described in V - SPECIAL CONDITIONS 1., Basis of Valuation.

   f. "surface water" means water or natural precipitation temporarily diffused over the surface of the ground.

All other terms, conditions, exclusions and limitations of the policy are unchanged.

This endorsement modifies the insurance provided under the property form covering insured property.

This endorsement applies separately to each location for which Flood is shown on the "Policy Declarations".

1. **Insured Peril**
   The coverage for insured property is extended to include "flood".

2. **Deductible**
   a. The Insurer is liable for the amount by which the loss or damage caused by "flood" exceeds the amount of the deductible shown on the "Policy Declarations" for this endorsement in any "flood occurrence".
   b. This deductible applies separately to each "premises" to which this endorsement applies.

3. **Limit of Insurance**
   a. If a limit of insurance is shown on the "Policy Declarations" for Flood, that limit is the most the Insurer will pay in a "flood occurrence" for loss of or damage to insured property caused by "flood".
   b. If a limit of insurance is shown on the "Policy Declarations" as the Annual Aggregate for this endorsement, that limit is the most the Insurer will pay in a single policy period for all loss or damage caused by "flood" sustained during that policy period.

4. **Exclusions**
   This endorsement does not insure loss or damage caused directly or indirectly by any of the following perils whether or not caused by or attributable to "flood":
   a. fire, explosion or smoke;
   b. leakage from "fire protective equipment" or from a watermain;
   c. riot, vandalism or malicious acts;
   d. theft or attempted theft;
   e. the backing up or overflow of water from within sewers, sumps, septic tanks, or drains located inside buildings; or
   f. water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows, or other openings in such sidewalks, driveways, foundations, walls, or floors.

5. **Extension of Coverage**
   The Insurer will be liable for loss of or damage to the insured property caused by wind, hail, rain or snow that enters a building through an opening in the roof or walls directly resulting from a "flood".

6. **Definitions**
   Wherever used in this endorsement:

   a. "flood" means flood, including "surface water", waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water.

   b. "flood occurrence" means all flooding which occurs within any 168 consecutive hours commencing during the policy period on or after the effective date of this endorsement. The expiration of this policy will not reduce the 168 hour period.

   c. "surface water" means water or natural precipitation temporarily diffused over the surface of the ground.

All other terms, conditions, exclusions and limitations of the policy are unchanged.

SEWER BACK UP ENDORSEMENT
911303-02

This endorsement modifies the insurance provided under the property form covering insured property.

This endorsement applies separately to each location for which Sewer Back Up is shown on the "Policy Declarations" except when coverage is provided on a blanket basis, in which case this endorsement applies separately to each location shown in the Schedule of Locations attached to and forming part of this endorsement.

1. Insured Peril
The coverage for insured property is extended to include "sewer back up".

2. Deductible
a. The Insurer is liable for the amount by which the loss or damage caused by "sewer back up" exceeds the amount of the deductible shown on the "Policy Declarations" for this endorsement in any one occurrence.
b. This deductible applies separately to each "premises" to which this endorsement applies.

3. Limit of Insurance
If a limit of insurance is shown on the "Policy Declarations" for this endorsement, that limit is the most the Insurer will pay in any one occurrence for loss of or damage to insured property caused by "sewer back up".

4. Definitions
As used in this endorsement "sewer back up" means the backing up or overflow of water from within sewers, sumps, septic tanks or drains located inside buildings.

All other terms, conditions, exclusions and limitations of the policy are unchanged.

CP-AJG STATED AMOUNT ENDORSEMENT
911304-03

This endorsement modifies the insurance provided under the property form covering insured property.

1. This endorsement applies:
   a. separately to each location for which Stated Amount Endorsement is shown on the “Policy Declarations”, and
   b. if a “statement of values” has been filed with the Insurer for the current policy period.

2. The Co-insurance Clause is waived, provided that the limit of insurance for each item of insured property is not less than the value for that item shown on the “Statement of Values”.

3. The Co-insurance Clause will apply if the Insured fails to file a new “Statement of Values”:
   a. Within 60 days of the effective date of each policy period; or
   b. Within the number of days shown for this endorsement on the “Policy Declarations”.

Definition:

“Statement of values” means a listing of all insured property to which this endorsement is applicable in a form acceptable to the Insurer, that:

a. Shows the value for each item of insured property that is listed; and
b. includes an attestation, signed and dated by the Insured, that the values shown are the current values of the insured property as described in V-SPECIAL CONDITIONS-1.,Basis of Valuation.

All other terms, conditions limitations and exclusions of the policy are unchanged.

WATER DAMAGE DEDUCTIBLE ENDORSEMENT
911516-01

This endorsement changes insurance provided by:
PROPERTY FORM - 911000

1. Each claim for water damage that is insured by this form, except claims for “flood” or “sewer back-up”, will be adjusted separately and the Insurer will be liable for the amount by which such damage exceeds the amount of the water damage deductible shown on the “Policy Declarations”.

2. As used in this endorsement:
   a. “flood” means the breaking out or overflow of any natural or artificial body of water and includes "surface water", waves, tides, tidal waves and tsunamis.
   b. "sewer back up" means the backing up or overflow of water from within sewers, sumps, septic tanks or drains located inside buildings.
   c. "surface water" means water or natural precipitation temporarily diffused over the surface of the ground.

All other terms, conditions, exclusions and limitations of the policy are unchanged.

ACKNOWLEDGEMENT

I have read and understand the change made by this endorsement. I am authorized to accept this change by the Insured or the “Named Insured”.

Name: ____ Title: ______________________________

(Print)

Signature: ____ Date: ______________________________

GLASS DAMAGE DEDUCTIBLE ENDORSEMENT
911521-02

This endorsement modifies the insurance provided under the property form covering insured property.

1. Each claim for loss of or damage to "exterior glass" will be adjusted separately and the Insurer will be liable for the amount by which such loss or damage exceeds the amount of the glass damage deductible shown on the "Policy Declarations".

2. Exclusions
   This endorsement does not apply to:
   a. any loss or damage caused directly or indirectly by fire;
   b. loss of or damage to sashes or bars.

3. Definition
   As used in this endorsement, "exterior glass" includes encasing frames and any lettering or ornamentation, tape or foil attached to or adhered to such glass.

All other terms, conditions, exclusions and limitations of the policy are unchanged.

I. INDEMNITY AGREEMENT

1. The Insurer, subject to the terms, exclusions, conditions and definitions of this form, will indemnify the Insured in each "occurrence" the least of the following:
   a. the value of the lost or damaged property as determined in V. SPECIAL CONDITIONS;
   b. the limit of insurance shown on the "Policy Declarations" for the coverage.
2. If any loss or damage is insured under more than one coverage, the most the Insurer will pay for such loss or damage will not exceed the largest limit of insurance applicable under any one of those Coverages.

II. COVERAGES

The coverage(s) apply only if a limit of insurance for the applicable coverage is shown on the "Policy Declarations"; and

A. EMPLOYEE DISHONESTY

1. Loss is directly resulting from a fraudulent or dishonest act, committed by an "employee" acting alone or in collusion with others, that:
   a. deprives the Insured of "money", "securities" or other property, and
   b. gives unearned financial benefit to:
      i. any "employee"; or
      ii. any other person or organization.

2. EXCLUSIONS
Coverage A. does not apply to:

a. Client or customer property
Any fraudulent or dishonest act committed by an "employee" on the premises of any person or organization that has engaged the services of the Insured, whether or not the Insured is liable. This exclusion does not apply to coverage provided in IV. SUPPLEMENTARY COVERAGES.

b. Employee cancelled under prior insurance
Any "employee" of the Insured or predecessor in interest, for whom dishonesty insurance was cancelled and not reinstated since the last such cancellation.

c. Inventory shortages
i. Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
   (a) an inventory computation; or
   (b) a profit and loss computation.
ii. However, where the Insured has established wholly apart from such computations, that the Insured has sustained a loss, then such inventory records and actual physical count of inventory may be used in support of the amount of loss claimed.

d. Acts committed by the Insured or partners
See exclusion III. 1. of this form. This exclusion does not apply to coverage provided in IV. SUPPLEMENTARY COVERAGES.

e. Confidential or personal information
See exclusion III. 2. of this form.

f. Indirect loss
See exclusion III. 3. of this form.

g. Legal expenses
See exclusion III. 4. of this form.

h. Nuclear incident and radioactive contamination
See exclusion III. 5. of this form.

i. Terrorism
See exclusion III. 6. of this form.

j. War, invasion, act of foreign enemy
See exclusion III. 7. of this form.

B. MONEY, SECURITIES AND OTHER PROPERTY

1. a. Loss of or damage to "money" or "securities" is directly resulting from its actual destruction, disappearance or wrongful abstraction while:
      i. within the "premises" or any bank or similar place of safe deposit;
      ii. being carried by or while within the living quarters in the home of a "messenger"; or
      iii. in the custody of an armoured motor vehicle company;
   b. loss of or damage to other property is by "safe burglary" or "robbery" or attempted "safe burglary" or "robbery" while within the "premises";

c. loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" is caused by "theft" or attempted "theft" or by unlawful entry into or attempted entry into such container;
d. damage to the "premises" is caused by such "safe burglary", "robbery" or "theft", or caused by the unlawful entry into or the attempted entry into the "premises", provided that with respect to damage to the "premises" the Insured is the owner of the "premises" or is liable for such damage; or
e. loss of or damage to other property, while outside the "premises", is caused by:
   i. "robbery" or attempted "robbery" of a "messenger", an armoured motor vehicle company; or
   ii. "theft" while within the living quarters in the home of a "messenger".

2. EXCLUSIONS
Coverage B. does not apply to:

a. Accounting or arithmetical errors or omissions
Loss resulting from accounting or arithmetical errors or omissions.

b. Acts committed by an employee, director, trustee or authorized representative
Loss or damage resulting from any fraudulent, dishonest or criminal act committed by an "employee", a director, trustee or authorized representative of any Insured whether acting alone or in collusion with other persons. This exclusion does not apply to loss or damage resulting from "safe burglary" or "robbery" or attempted "safe burglary" or "robbery".

c. Data problem
Subject to II. B. 2. c. i. and ii. loss of or damage to "money" or "securities" caused directly or indirectly by a "data problem". This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.
   i. If loss or damage caused by a "data problem" results in the happening of further loss of or damage to "money" or "securities" that is directly caused by a "specified peril" or by the escape of water from any tank, apparatus or pipe, this exclusion will not apply to such resulting loss or damage. This exception only applies to the extent that such loss would otherwise be insured under this form.
   ii. If a "data problem" is the direct result of a "specified peril", or by the escape of water from any tank, apparatus or pipe, within the "premises" or within any bank or similar place of safe deposit, outside the "premises" while conveyed by or within the living quarters in the home of any "messenger" or while in the custody of an armoured motor vehicle company, this exclusion will not apply. This exception only applies to the extent that such loss would otherwise be insured under this form.

d. Exchanges or purchases
Loss or damage resulting from giving or surrendering "money" or "securities" in any exchange or purchase.

e. Fire
Loss or damage resulting from fire, however caused. This exclusion does not apply to loss of or damage to:
   i. "money" or "securities"; or
   ii. a safe or vault.

f. Money operated devices
Loss of or damage to "money" contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

g. Records
Loss of or damage to manuscripts, books of account or records, except for blank value.

h. Unauthorized transfer of money, securities or property
Loss of or damage to "money", "securities" or other property by unauthorized electronic transfer.

i. Acts committed by the Insured or partners
See exclusion III. 1. of this form.

j. Confidential or personal information
See exclusion III. 2. of this form.

k. Indirect loss
See exclusion III. 3. of this form.

l. Legal expenses
See exclusion III. 4. of this form.

m. Nuclear incident and radioactive contamination
See exclusion III. 5. of this form.

n. Terrorism
See exclusion III. 6. of this form.

o. War, invasion, act of foreign enemy
See exclusion III. 7. of this form.

C. COUNTERFEIT CURRENCY AND MONEY ORDERS

1. Loss or damage is directly resulting from the Insured having accepted in good faith, in exchange for property, "money" or services:

a. counterfeit Canadian or United States currency that is acquired during the regular course of business; or

b. a bank draft or money order issued or purporting to have been issued by any financial institution, post office or express company that is not paid upon presentation.

2. EXCLUSIONS

Coverage C. does not apply to:

a. Acts committed by an employee, director, trustee or authorized representative

Loss or damage resulting from any fraudulent, dishonest or criminal act committed by an "employee" a director, trustee or authorized representative of any Insured whether acting alone or in collusion with other persons.

b. Acts committed by the Insured or partners

See exclusion III. 1. of this form.

c, Confidential or personal information

See exclusion III. 2. of this form.

d. Indirect loss

See exclusion III. 3. of this form.

e. Legal expenses

See exclusion III. 4. of this form.

f. Nuclear incident and radioactive contamination

See exclusion III. 5. of this form.

g. Terrorism

See exclusion III. 6. of this form.

h. War, invasion, act of foreign enemy

See exclusion III 7. of this form.

D. FORGERY, ALTERATION, CREDIT CARD AND AUTOMATED TELLER CARD

1. Loss is directly resulting from:

a. forgery or alteration of any cheque, draft, promissory note, or similar written promise, order or direction to pay a sum of "money" that is or is purported to have been:

i. made or drawn by or drawn upon the Insured; or

ii. made or drawn by one acting as an agent of the Insured.

b. forgery or alteration of any written instrument required in conjunction with any credit card issued to;

(a) the Insured;

(b) any partner, officer or "employee" of the Insured;

(c) the Insured's spouse; or

(d) any child residing permanently in the residence of the Insured,

provided the Insured has complied fully with the credit card agreement.

c, the "theft" of the Insured's automated teller card provided the Insured has complied fully with all of the conditions under which the card was issued.

2. The Insurer will pay, in addition to the limit of insurance for this coverage and without applying any deductible, reasonable legal expenses incurred by the Insured, with the Insurer's prior written consent, to defend any action arising from the Insured's refusal to make a payment that would have been covered by:

a. II. D. 1. a., but only if the Insured's refusal to pay such insured instrument is on the basis that it has been forged or altered.

b. II. D 1. b., but only if the Insured's refusal to pay such insured instrument is on the basis that it has been forged or altered.

3. EXCLUSIONS

Coverage D. does not apply to:

a. Acts committed by the Insured or partners

See exclusion III 1. of this form.

b. Confidential or personal information

See exclusion III 2. of this form.

c. Indirect loss

See exclusion III 3. of this form.

d. Legal expenses

See exclusion III 4. of this form.

e. Nuclear incident and radioactive contamination

See exclusion III 5. of this form.

f. Terrorism

See exclusion III 6. of this form.

g. War, invasion, act of foreign enemy
See exclusion III 7. of this form.

E. ELECTRONIC FRAUD AND FUNDS TRANSFER FRAUD

1. Loss or damage is directly resulting from:
a. the use of any electronic device to fraudulently transfer "money", “securities”, or other property from inside the “premises” or any bank or similar place of safe deposit to:
i. a person (other than a “messenger”) outside the “premises” or such bank or similar place of safe deposit; or
ii. a place outside the “premises”.
b. “fraudulent instructions” directing a financial institution to transfer, pay or deliver “money” or “securities” from the Insured’s “transfer account”.

2. EXCLUSIONS
Coverage E. does not apply to:

a. Acts committed by an employee or authorized representative
Loss or damage caused by an “employee”, or authorized representative of any Insured acting alone or in collusion with other persons.

b. Card transactions
Loss resulting from the use of credit, debit, charge, access or convenience card, “cash card” or the information contained on such cards.

c. Forgery or alterations
Loss that is insured under Coverage D.

d. Acts committed by the Insured or partners
See exclusion III 1. of this form.

e. Confidential or personal information
See exclusion III 2. of this form.

f. Indirect loss
See exclusion III 3. of this form.

g. Legal expenses
See exclusion III 4. of this form.

h. Nuclear incident and radioactive contamination
See exclusion III 5. of this form.

i. Terrorism
See exclusion III 6. of this form.

j. War, invasion, act of foreign enemy
See exclusion III 7. of this form.

F. PROPERTY IN SAFE DEPOSIT BOXES – BURGLARY AND ROBBERY

1. Loss or damage is directly resulting from:
a. “burglary” or attempted “burglary”, vandalism or malicious acts to property other than ”money” and “securities” from within the Insured’s safe deposit box in a vault within the bank or similar place of safe depository; or
b. by “robbery” or attempted “robbery”, vandalism or malicious acts to property other than ”money” and “securities” from within:
i. that part of the bank or similar place of safe depository in the safe deposit vault reserved for customers;
ii. the banking enclosure reserved for the use of the bank’s officers and employees, provided at least one such person is at work in such banking enclosure; or
iii. the bank or similar place of safe depository while such property is being conveyed between the entrance to the bank or similar place of safe depository and the vault.

2. EXCLUSIONS
Coverage F. does not apply to:

a. Acts committed by an employee, director, trustee or authorized representative
Loss or damage resulting from any dishonest or criminal act committed by an “employee”, or a director, trustee or authorized representative of any Insured whether acting alone or in collusion with other persons.

b. Acts committed by the Insured or partners
See III exclusion 1. of this form.

c. Confidential or personal information
See exclusion III 2. of this form.

d. Indirect loss

See exclusion III 3. of this form.

e. **Legal expenses**
See exclusion III 4. of this form.

f. **Nuclear incident and radioactive contamination**
See exclusion III 5. of this form.

g. **Terrorism**
See exclusion III 6. of this form.

h. **War, invasion, act of foreign enemy**
See exclusion III 7. of this form.

G. INCOMING CHEQUE FORGERY

1. Loss is directly resulting from forgery or alteration of any:
a. cheque or draft drawn upon itself by any bank;
b. cheque or draft drawn upon itself by any corporation;
c. cheque or written order or direction to pay a sum certain in “money”, drawn by any public body upon itself; or
d. any warrant drawn by any public body,
which the Insured has received in payment or purported payment for:
i. personal property sold and delivered; or
ii. services rendered,
but excluding all loss caused by forgery or alteration of any instrument received by the Insured in purported payment for property previously sold and delivered on any installment or deferred payment plan.

2. The liability of the Insurer on account of any instrument covered under this coverage will be 100% of the Insured’s pecuniary interest in the instrument not to exceed the limit of insurance for Coverage G.
The pecuniary interest is to be determined by:
a. the amount paid or purporting to have been paid to the Insured for the property;
b. the amount paid or purporting to have been paid to the Insured for the services rendered; and
c. the amount of cash, if any, delivered against such instrument over and above a. and b.

3. EXCLUSIONS
Coverage G. does not apply to:

a. **Acts committed by the Insured or partners**
See exclusion III 1. of this form.

b. **Confidential or personal information**
See exclusion III 2. of this form.

c. **Indirect loss**
See exclusion III 3. of this form.

d. **Legal expenses**
See exclusion III 4. of this form.

e. **Nuclear incident and radioactive contamination**
See exclusion III 5. of this form.

f. **Terrorism**
See exclusion III 6. of this form.

g. **War, invasion, act of foreign enemy**
See exclusion III 7. of this form.

III. EXCLUSIONS APPLICABLE TO ALL COVERAGES

This form does not apply to:

1. Acts committed by the Insured or partners
Loss or damage resulting from any fraudulent, dishonest or criminal act committed by:
a. the Insured; or
b. any of the Insured’s partners;
whether acting alone or in collusion with other persons.

2. Confidential or personal information
Loss or damage resulting from:
a. the disclosure of the Insured’s or any other person’s or organization’s confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information; or
b. the use of another person’s or organization’s confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or other type of non-public information.

3. **Indirect loss**
   Loss that is an indirect result of any act or "occurrence" covered by this form including, but not limited to, loss resulting from:
   a. the Insured's inability to realize income that the Insured would have realized had there been no loss.
   b. payment of damages of any type for which the Insured is legally liable, but the Insurer will pay compensatory damages arising directly from a loss covered under this form.
   c. payment of costs, fees or other expenses incurred by the Insured in establishing the existence of, or the amount of loss covered under this form except as provided in IV. SUPPLEMENTARY COVERAGES.

4. **Legal expenses**
   Expenses related to any legal action, except when covered under Coverage D.

5. **Nuclear incident and radioactive contamination**
   Loss or damage caused directly or indirectly:
   a. by any nuclear incident (as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
   b. by contamination by radioactive material.
   This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

6. **Terrorism**
   Loss or damage caused directly or indirectly by "terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism". This exclusion applies whether or not there are one or more causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage. Where any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder will remain in full force and effect.

7. **War, invasion, act of foreign enemy**
   Loss or damage caused directly or indirectly by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

IV. SUPPLEMENTARY COVERAGES

Coverage is provided only for those of the following Supplementary Coverages for which a limit of insurance is shown on the "Policy Declarations". The limit of insurance shown for each Supplementary Coverage, except IV. 1. CLIENT OR CUSTOMER PROPERTY, is in addition to any other limit of insurance applicable to this form.

1. **CLIENT OR CUSTOMER PROPERTY**
   a. If the policy includes Coverage II. A. EMPLOYEE DISHONESTY, that coverage is extended to cover any direct loss or losses which any person or organization, having engaged the services of the Insured, has sustained due to loss of "money", "securities" or other property:
      i. belonging to such person or organization;
      ii. in which such person or organization has a pecuniary interest; or
      iii. held in any capacity by such person or organization, whether legally liable or not;
      resulting directly from any fraudulent or dishonest act committed by the Insured or any of the Insured's partners or committed by an "employee", acting alone or in collusion with others, during the period of the performance of such services.
   b. The Insurer will not be liable for more than the limit of insurance shown on the "Policy Declarations" for this coverage, but such limit is inclusive of, not in addition to, the limit of insurance for Coverage II. A.

2. **MEDICAL EXPENSE INCURRED FROM ROBBERY**
   a. This form insures each "custodian" or "messenger" who sustains bodily injury during and as a result of "robbery" or attempted "robbery".
   b. The Insurer will pay reasonable expenses for:
      i. first aid at the time of an "occurrence";
      ii. necessary medical, surgical, x-ray and dental services, including prosthetic devices;
      iii. necessary ambulance, hospital, and professional nursing services; and
      iv. in the event of death resulting from such injury, the reasonable funeral expense;
      all incurred within 12 consecutive months from the date such injury is sustained, provided such expense is not payable under any workers' compensation, disability benefits or unemployment or employment compensation law or any similar law or the expense payment is prohibited by such law.
   c. The Insurer will not be liable for more than the limit of insurance shown on the "Policy Declarations" per person.
   d. The limit of the Insurer's liability for this coverage will not exceed the annual aggregate shown on the "Policy Declarations" for this coverage.

3. **PROFESSIONAL FEES**
   a. The Insurer agrees to indemnify the Insured for reasonable expenses incurred by the Insured for services of their professional auditors, accountants, investigators or other consultants for producing particulars or details or other proofs, information or evidence as may be required by the Insurer for the purpose of investigating or verifying any claim under this form.
   b. There is no coverage for fees or expenses payable to public adjusters.
   c. The Insurer will pay up to the limit of insurance shown on the "Policy Declarations" for this coverage.

V. SPECIAL CONDITIONS

A. CONDITIONS APPLICABLE TO ALL COVERAGES

1. ADDITIONAL PREMISES OR EMPLOYEES

If, while this insurance is in force, the Insured establishes any additional "premises" or hires additional "employees", other than through "consolidation or merger", such "premises" and "employees" will automatically be covered under this insurance. Notice to the Insurer of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the policy period shown on the "Policy Declarations".

The limit of insurance provided by this condition to such additional "premises" will not exceed the lowest limit of insurance provided under this form to existing insured location(s).

2. CONSOLIDATION – MERGER

a. If through "consolidation or merger":
   i. any additional persons become "employees"; or
   ii. the Insured acquires the use and control of any additional "premises",

   any coverage provided under this form for "employees" or "premises" also applies to such additional "employees" or such additional "premises".
b. The insurance provided to such additional "employees" or such additional "premises" will cease on the earliest of:
   i. 90 days from the date of "consolidation or merger";
   ii. the date such additional "employees" or such additional "premises" are reported to the Insurer; or
   iii. the expiration date of this insurance.
c. Premium for this coverage is payable from the date of "consolidation or merger".
d. The limit of insurance applicable to such additional "premises", during the coverage period described in V. A. 2. b. will not exceed the lowest limit of insurance provided under this form to existing insured location(s).

3. DEDUCTIBLE

If a deductible amount is shown on the "Policy Declarations", the Insurer will not pay for loss or damage in any one "occurrence" unless the amount of loss or damage exceeds the deductible amount shown on the "Policy Declarations". The Insurer will then pay the amount of loss or damage in excess of the deductible amount, up to the limit of insurance.

4. DUTIES IN THE EVENT OF LOSS

a. The POLICY CONDITIONS form 910000, is amended as follows, but only with respect to loss or suspected loss under this Crime Form:

   i. For a policy made or deemed to be made in the provinces of Alberta, British Columbia or Manitoba, the following condition is added to ADDITIONAL CONDITIONS:

      Upon knowledge or discovery of loss or damage or of an occurrence which may give rise to a claim for loss the Insured will:
      (a) if Coverage A. or if Coverage D. is subject to a deductible, give the Insurer notice of any loss whether or not the Insurer is liable for such loss, and if requested by the Insurer, file with the Insurer a brief statement giving the particulars concerning such loss;
      (b) give immediate notice to the police when loss or damage is due or suspected to be due to vandalism, malicious act, burglary, "robbery", "theft" or attempted "theft". This does not apply if the Insured has a reason to believe that the loss is covered under Coverage A. or Coverage D.;
      (c) if the loss or damage insured by this form involves "securities", take all reasonable means to prevent the negotiation, sale or retirement of such "securities";
      (d) deliver the proof of loss, as per STATUTORY CONDITION 6. REQUIREMENT AFTER LOSS, to the Insurer within 4 months after the discovery of loss. Proof of loss under Coverage D. will include the instrument which is the basis of claim for such loss, or if that is not possible, an affidavit setting forth the amount and cause of loss;
      (e) upon the Insurer's request, submit to examination by the Insurer, subscribe the same, under oath if required, and produce for the Insurer's examination pertinent records, all at such reasonable time and places as the Insurer will designate.

   ii. For a policy made or deemed to be made in the Province of Quebec, the following additional GENERAL CONDITION applies:

      Upon knowledge or discovery of loss or of an occurrence which may give rise to a claim for loss the Insured will:
      (a) (1) give notice as soon as practicable to the Insurer or any of its authorized agents;
          (2) if Coverage A. or if Coverage D. is subject to a deductible, give the Insurer notice of any loss whether or not the Insurer is liable for such loss, and if requested by the Insurer, file with the Insurer a brief statement giving the particulars concerning such loss;
      (b) give immediate notice to the police when loss or damage is due or suspected to be due to vandalism, malicious act, burglary, "robbery", "theft" or attempted "theft". This does not apply if the Insured has a reason to believe that the loss is covered under Coverage A. or Coverage D.;
      (c) if the loss or damage insured by this form involves "securities", take all reasonable means to prevent the negotiation, sale or retirement of such "securities";
      (d) file detailed proof of loss, duly sworn to, with the Insurer within 4 months after the discovery of loss. Proof of loss under Coverage D. will include the instrument which is the basis of claim for such loss, or if that is not possible, an affidavit setting forth the amount and cause of loss;
      (e) upon the Insurer's request, submit to examination by the Insurer, subscribe the same, under oath if required, and produce for the Insurer's examination pertinent records, all at such reasonable time and places as the Insurer will designate.

   iii. For a policy made or deemed to be made in the all provinces and territories except the provinces of Alberta, British Columbia, Manitoba and Quebec, the following condition is added under the new heading of **ADDITIONAL CONDITIONS**:

      Upon knowledge or discovery of loss or of an occurrence which may give rise to a claim for loss the Insured will:

(a) (1) give notice as soon as practicable to the Insurer or any of its authorized agents;
(2). if Coverage A. or if Coverage D. is subject to a deductible, give the Insurer notice of any loss whether or not the Insurer is liable for such loss, and if requested by the Insurer, file with the Insurer a brief statement giving the particulars concerning such loss;
(b) give immediate notice to the police when loss or damage is due or suspected to be due to vandalism, malicious act, burglary, "robbery", “theft” or attempted “theft”. This does not apply if the Insured has a reason to believe that the loss is covered under Coverage A. or Coverage D.;
(c) if the loss or damage insured by this form involves “securities”, take all reasonable means to prevent the negotiation, sale or retirement of such “securities”;
(d) file detailed proof of loss, duly sworn to, with the Insurer within 4 months after the discovery of loss. Proof of loss under Coverage D. will include the instrument which is the basis of claim for such loss, or if that is not possible, an affidavit setting forth the amount and cause of loss;
(e) upon the Insurer’s request, submit to examination by the Insurer, subscribe the same, under oath if required, and produce for the Insurer’s examination pertinent records, all at such reasonable time and places as the Insurer will designate.

b. The PROPERTY, CRIME AND EQUIPMENT BREAKDOWN CONDITIONS form 910001, is amended as follows, but only with respect to loss or damage or suspected loss or damage under this Crime Form:
COMMON CONDITION I. 7. Notice to Police, is deleted.

5. LOSS COVERED UNDER THIS POLICY AND PRIOR INSURANCE ISSUED BY THE INSURER

If any loss is covered:

a. partly by this insurance; and

b. partly by any prior cancelled or terminated insurance that the Insurer had issued to the Insured or any predecessor in interest;

the most the Insurer will pay is the larger of the amount recoverable under this insurance or the prior insurance.

6. LOSS COVERED UNDER PRIOR INSURER

a. If the Insured, or any predecessor in interest sustained a loss during the period of any prior insurance that the Insured, or such predecessor would have recovered under that insurance except that the time within which to discover the loss had expired, the Insurer will pay for it under this form, provided:
   i. this form became effective at the time of cancellation or termination of the prior insurance; and
   ii. the loss would have been covered by this form had this form been in effect when the loss occurred.

b. The limit of insurance under this condition is part of, not in addition to, the limit of insurance applying to the applicable coverage insured under this form and is limited to the lesser of the amount recoverable under:
   i. this form as of the date such loss was first discovered; or
   ii. the prior insurance had it remained in effect.

7. LOSS SUSTAINED

Subject to V. A. 6. the Insurer will pay for loss that the Insured has sustained through acts committed or events occurring during the policy period shown on the “Policy Declarations” and discovered by the Insured during the:

a. policy period; or

b. period of time provided in V. A. 8.

8. EXTENDED PERIOD TO DISCOVER LOSS

a. The Insurer will pay for loss that the Insured sustained prior to the effective date of termination or cancellation of this form, which is discovered by the Insured no later than 12 consecutive months from the date of that termination or cancellation.

b. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by the Insured replacing in whole or in part the insurance afforded by this form, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

9. JOINT INSURED

a. If more than one Insured is named on the “Policy Declarations”, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.

b. If any Insured, or partner, or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

c. An “employee” of any Insured is considered to be an “employee” of every Insured under this insurance.

d. If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered by the Insured during the period of time provided in V. A. 8.

e. The Insurer will not pay more for loss sustained by more than one Insured than the amount the Insurer would pay if the loss had been sustained by one Insured.

10. LEGAL ACTION AGAINST THE INSURER

a. No one may bring a legal action against the Insurer under this form:
   i. unless there has been full compliance with all the terms of this form, and
   ii. not until 90 days after the required proof of loss has been filed with the Insurer.

b. No legal action against the Insurer can be made under this form unless commenced within 2 years from the date when the Insured discovers the loss.

c. If any limitation of time in V. 10. a. or b. is shorter than that permitted by statute, such limitation is amended to be the shortest permissible statutory limitation.

11. NON-CUMULATION OF LIMIT OF INSURANCE

Regardless of the number of years this insurance remains in force or the number of premiums paid, the limit of insurance shown on the “Policy Declarations” is not cumulative from year to year or period to period.

12. **OTHER INSURANCE**
With respect to the insurance provided under this form, Condition 8 – Other Insurance under I COMMON CONDITIONS APPLICABLE TO ALL PROVINCES AND TERRITORIES of the PROPERTY, CRIME AND EQUIPMENT BREAKDOWN CONDITIONS, form 910001, is deleted and replaced by the following:

a. **Applicable to the Province of Quebec:**
   i. If there is available to the Insured any other insurance or indemnity covering any loss insured by Coverage A. or Coverage D., each of the insurers under its respective contract is liable to the Insured for its rateable proportion of the loss, except that if such other insurance or indemnity is a bond or policy of fidelity insurance, any loss covered under both such fidelity insurance and Coverage D. will first be paid under Coverage D. Any loss covered under both Coverages A. and D. will first be paid under Coverage D. and the excess, if any, will be paid under Coverage A.
   ii. If, under any other coverage insured under this form, there is any other valid and collectible insurance which would apply in the absence of such coverage insured under this form, each of the insurers under its respective contract is liable to the Insured for its rateable proportion of the loss, provided the insurance will not apply to property:
   (a) which is separately described and enumerated and specifically insured in whole or in part by any other insurance or
   (b) otherwise insured unless such property is owned by the Insured.

b. **Applicable to all other provinces and territories:**
   i. If there is available to the Insured any other insurance or indemnity covering any loss insured by Coverage A. or Coverage D., the Insurer will be liable under this form only for that part of such loss which is in excess of the amount recoverable or recovered from such other insurance or indemnity, except that if such other insurance or indemnity is a bond or policy of fidelity insurance, any loss covered under both such fidelity insurance and Coverage D. will first be paid under Coverage D. Any loss covered under both Coverages A. and D. will first be paid under Coverage D. and the excess, if any, will be paid under Coverage A.
   ii. If, under any other coverage insured under this form, there is any other valid and collectible insurance which would apply in the absence of such coverage insured under this form, the insurance under this form will apply only as excess insurance over such other insurance, provided the insurance will not apply to property:
   (a) which is separately described and enumerated and specifically insured in whole or in part by any other insurance or
   (b) otherwise insured unless such property is owned by the Insured.

13. **OWNERSHIP OF PROPERTY – INTERESTS COVERED**
The property covered under this form is limited to property:
a. owned or leased by the Insured;
b. of others held by the Insured in any capacity whether or not the Insured is liable for the loss of or damage to such property; or
c. of others for which the Insured is legally liable.

However, with respects to Coverage C. and Coverage F. this insurance applies only to the interest of the Insured in such property, including the Insured's liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the Insured's proof of loss, in which event such other person, upon the Insurer's request, will submit to examination by the Insurer, subscribe the same, under oath if required, and produce for the Insurer's examination all pertinent records, all at such reasonable times and places as the Insurer will designate, and will cooperate with the Insurer in all manners pertaining to loss or claims with respect to loss or damage of such property.

14. **BOOKS AND RECORDS**
The Insured must keep records of all the insured property in such manner that the Insurer can accurately determine the amount of loss.

15. **RECOVERIES**
a. Applicable to all Coverages, except Coverage G.
   Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
   i. to the Insured, until the Insured is reimbursed for any loss that the Insured sustained that exceeded the limit of insurance and the deductible amount, if any;
   ii. then to the Insurer, until the Insurer is reimbursed for the settlement made; and
   iii. then to the Insured, until the Insured is reimbursed for that part of the loss equal to the deductible amount, if any.
b. Applicable to Coverage G.
   Any reimbursement or recovery, less the cost of obtaining them, whether recovered before or after settlement of loss covered by this insurance, will be paid 100% by the Insurer to the Insured, subject to the limit of insurance for Coverage G., and will be distributed as follows:
   i. to the Insured, until the Insured is reimbursed for any loss that the Insured sustained that exceeded the limit of insurance and the deductible amount, if any;
   ii. then to the Insurer, until the Insurer is reimbursed for the settlement made; and
   iii. then to the Insured, until the Insured is reimbursed for that part of the loss equal to the deductible amount, if any.
c, Applicable to all Coverages
   Recoveries do not include any recovery:
   i. from insurance, suretyship, reinsurance, security or indemnity taken for the benefit of the Insurer; or
   ii. of original "securities" after duplicates of them have been issued.

16. **TERRITORY**
This policy insures acts committed or events occurring:
a. with respect to Coverage A.:
   i. within Canada and the United States of America (including its territories and possessions);
   ii. anywhere in the world, for loss caused by any "employee" temporarily outside of the territory specified in V.16. a. i. for a period of not more than 90 days.
b. with respect to Coverage B., Coverage C., Coverage E., Coverage F., and Coverage G.:

within Canada and the United States of America (including its territories and possessions).

c. with respect to Coverage D.:
anywhere in the world.

17. VALUATION – SETTLEMENT

Subject to the limits of insurance shown on the "Policy Declarations", in no event will the Insurer be liable, in respect to:

a. loss of "money", for more than its face value. The Insurer may, at its option, pay for loss of "money" issued by any country other than Canada:
   i. at face value in the "money" issued by that country; or
   ii. in the Canadian dollar equivalent determined by the rate of exchange on the day the loss was discovered.

b. loss of "securities", for more than the actual cash value of such "securities" at the close of business on the business day immediately preceding the day on which the loss was discovered. The Insurer may, at its option:
   i. pay such actual cash value, in which event the Insured must assign to the Insurer all the Insured's rights, title and interest in and to those "securities"; or
   ii. secure the replacement of the "securities" by arranging for the issuance of a Lost Securities Bond.

c. loss of or damage to other property except as follows:
   i. if the property is held by the Insured as a pledge, or as collateral for an advance or a loan, the Insurer will not be liable for more than the actual cash value of such property at the time of the loss or damage. However, for such property, the actual cash value will not exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor in the absence of such record, the unpaid portion of the advance or loan plus accrued interest at legal rates.
   ii. for property of others for which the Insured is legally liable, excluding "securities" and property held by the Insured as a pledge or as collateral for an advance of a loan, the Insurer will not be liable for more than the lesser of:
      (a) the actual cash value of such property, or
      (b) the actual cost of repairing or replacing such property with property or material of like quality and value.
   iii. for property of the Insured or property of others which the Insured is obliged to insure, excluding "securities" and property held by the Insured as a pledge or as collateral for an advance of a loan, the value of such property will be determined as follows:
      (a) on unsold merchandise: the Insurer will not be liable for more than the actual cash value of the property at the time and place of loss or damage, but in no event to exceed what it would cost to repair or replace with material of like kind and quality;
      (b) on sold merchandise: the Insurer will not be liable for more than the selling price after allowance for discounts;
      (c) on the property of others: the Insurer will not be liable for more than the actual cash value at the time and place of loss or damage plus allowance for labour and materials expended to such time;
      (d) on business records and prepackaged software, the Insurer will not be liable for more than:
         (1) the cost of blank "media" for reproducing "data"; and
         (2) the costs of labour to transcribe or copy the "data" when there is a duplicate.
      (e) on all other insured property: the Insurer will not be liable for more than the amount actually expended by the Insured to repair or replace such property, subject to the following provisions:
         (1) the damaged property to be repaired or replaced with due diligence and dispatch;
         (2) the amount the Insurer will pay for any repair or replacement will be limited to the lesser of:
            (i) the cost at the time of the loss or damage to repair the said property; or
            (ii) the replacement cost of said property at the time of the loss or damage.
         (3) In the event the replacement is by property of a better kind or quality or of larger capacity or size, the liability of the Insurer will not exceed the amount that would be paid if the replacement had been made by property of like, kind, capacity, size and quality.
         (4) In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that damaged or destroyed and which is capable of performing the same function will be deemed to be new property of like kind and quality for the purposes of this condition.
         (5) Failing compliance by the Insured with any of the foregoing provisions, settlement will be made on the basis of actual cash value.
   iv. The Insurer may, at its option, pay for the repair or replacement of such property.
   v. Any property for which the Insurer has made indemnification becomes property of the Insurer. The Insured is entitled to such property upon reimbursing the Insurer the indemnity paid for such property.

18. LOSS CAUSED BY UNIDENTIFIED EMPLOYEE

If a loss is alleged to have been caused by the fraudulent or dishonest act of one or more of the "employees" insured under Coverage A. and the Insured is unable to designate the specific "employee" or "employees" causing such loss, the Insured will nevertheless have the benefit of such Coverage, subject to the exclusion II. A. 2. c., provided that the evidence submitted reasonably proves that the loss was in fact due to the fraudulent or dishonest act of one or more of the said "employees", and provided, further, that the aggregate liability of the Insurer for any such loss will not exceed the limit of insurance applicable to Coverage A.

B. CONDITION APPLICABLE TO COVERAGE A – EMPLOYEE DISHONESTY: PRIOR FRAUD, DISHONESTY OR CANCELLATION OF AN EMPLOYEE

a. Coverage A. will not apply to any "employee":
   i. if the "employee" has committed fraud or a dishonest act prior to the effective date of this insurance and:
      (a) the Insured; or
      (b) any partner, officer, director or trustee not in collusion with the "employee",
      learned of the fraudulent or dishonest act prior to the policy period shown on the "Policy Declarations".
   ii. as soon as:
      (a) the Insured; or

(b) any partner, officer, director or trustee not in collusion with the “employee”,
learns that such “employee” has committed a fraudulent or dishonest act in the service of the Insured or otherwise, whether such act was committed before or after becoming employed by the Insured.

b. The coverage provided under Coverage A. is cancelled as to any “employee” on the date specified in a notice mailed to the first Named Insured. Such date will be not less than 30 days after the date of mailing. The Insurer will mail the notice to the first Named Insured’s last mailing address known to the Insurer. If notice is mailed, proof of mailing will be sufficient proof of notice. Delivery of such written notice by the Insurer will be equivalent to mailing.
In the Province of Quebec, cancellation will be made by endorsement only.

C. CONDITION APPLICABLE TO COVERAGES B – MONEY, SECURITIES AND OTHER PROPERTY: ARMOURED MOTOR VEHICLE COMPANIES

Under Coverage B. the Insurer will only pay for the amount of loss the Insured cannot recover:

a. under the contract the Insured has with the armoured motor vehicle company; and
b. from any other insurance or indemnity carried by, or for the benefit of customers of, the armoured motor vehicle company.

D. CONDITION APPLICABLE TO COVERAGE D. – FORGERY, ALTERATION, CREDIT CARD AND AUTOMATED TELLER CARD: ELECTRONIC AND MECHANICAL SIGNATURES

The Insurer will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

VI. DEFINITIONS

1. “burglary” means the unlawful taking of insured property from within a locked safe deposit box within a locked vault by a person unlawfully entering the safe deposit box or vault, provided there is evidence of such unauthorized entry in the form of visible marks on the exterior of such safe deposit box and vault.

2. “cash cards” means cards designed to store a cash value by electronic means as a mode of payment, without a personal identification number and without direct access to a bank or other account.

3. “consolidation or merger” means the Insured:
   a. acquires all or most of the assets or shares of another entity;
   b. consolidates with another entity; or
   c. merges with another entity.

4. "custodian" means the Insured, or a partner of the Insured, or any “employee” who is duly authorized by the Insured to have the care and custody of the insured property within the “premises”, excluding any person while acting as a watchman, porter or janitor.

5. “data” means representations of information or concepts, in any form.

6. “data problem” means
   a. erasure, destruction, corruption, misappropriation, misinterpretation of “data”;
   b. error in creating, amending, entering, deleting or using “data”; or
   c. inability to receive, transmit or use “data”.

7. a. "employee" means:
      i. any natural person:
         (a) while in the regular service of the Insured and for the first 30 days immediately after termination of service, unless such termination is due to a fraudulent or dishonest act committed by the employee;
         (b) who the Insured compensates directly by salary, wages or commissions; and
         (c) who the Insured has the right to govern and direct in the performance of such service;
      ii. any natural person who is furnished temporarily to the Insured:
         (a) to substitute for a permanent employee, as described in VI. 7. a. i., who is on leave; or
         (b) to meet seasonal or short-term workload conditions;
         while the Insured has the right to govern and direct that person in the performance of services for the Insured, excluding, however, any such person while having care and custody of property outside the “premises”;
      iii. any natural person who is leased to the Insured under a written agreement between the Insured and a labour leasing organization, to perform duties related to the conduct of the Insured’s business, but does not mean a temporary employee as defined in VI. 7. a. ii.,
      iv. any natural person who is a former employee, partner, member, manager, director or trustee retained as a consultant while performing services for the Insured;
      v. any natural person who is a volunteer while the Insured has the right to govern and direct that person in the performance of services for the Insured, excluding, however, any such person while having care and custody of property outside the “premises”.
   b. However “employee” does not mean any:
      i. agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
      ii. directors or trustees of the Insured except while performing acts within the scope of the usual duties of an employee.

8. “fraudulent instructions” means:
   a. fraudulent electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions issued to a financial institution directing such institution to debit a "transfer account” and to transfer, pay or deliver “money“ and “securities” from such account by use of an electronic transfer system at specified intervals or under specified conditions, which instructions purport to have been transmitted by the Insured or by a person duly authorized by the Insured to issue such instructions but which have been fraudulently transmitted by someone other than the Insured without the Insured's knowledge or consent; or

   b. fraudulent written instructions (other than those described in Coverage D.) issued to a financial institution directing such institution to debit a "transfer account" by use of an electronic funds transfer system at specified intervals or under specified conditions which written instructions purport to have been issued by the Insured but were in fact fraudulently issued, forged or altered by someone other than the Insured without the Insured's knowledge or consent.

9. "messenger" means the Insured or a partner of the Insured or any "employee" who is duly authorized by the Insured to have the care and custody of the insured property outside the "premises".

10. "money" means:
    a. currency, coins, bank notes, "cash cards".
    b. the following property, held for sale to the public:
       i. travellers cheques,
       ii. register cheques, or
       iii. money orders.

11. "specified perils" means:
    a. fire or lightning;
    b. explosion: the following are not explosions within the intent or meaning of this form:
       i. electric arcing or any coincident rupture of electrical equipment due to such arcing;
       ii. bursting or rupture caused by hydrostatic pressure or freezing;
       iii. bursting or rupture of any safety disc, rupture diaphragm or fusible plug.
    c. impact by aircraft, spacecraft or land vehicle: the terms aircraft and spacecraft include articles dropped from them. The Insurer will not be liable for loss or damage:
       i. that is cumulative;
       ii. caused by land vehicles belonging to or under the control of the Insured or any of the Insured's "employees";
       iii. to aircraft, spacecraft or land vehicles causing the loss; or
       iv. caused by any aircraft or spacecraft when being taxied or moved inside or outside of buildings;
    d. smoke due to a sudden, unusual and faulty operation of any stationary furnace. The Insurer will not be liable for any cumulative damage;
    e. leakage from fire protective equipment: leakage or discharge from, collapse of, or rupture due to freezing of fire protective equipment for the "premises" or adjoining structures. The term fire protective equipment includes tanks, watermains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
       i. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
       ii. any water mains or appurtenances located outside of the "premises" and forming a part of the public water distribution system;
    f. windstorm or hail: the Insurer will not be liable for loss or damage:
       i. to the interior of the building or other property inside the building unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
       ii. directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslip.

12. "occurrence" means:
    a. with respects to Coverage A., all loss caused by, or involving, one or more "employees", whether the result of a single act or series of acts;
    b. with respects to Coverage D., all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments;
    c. with respects to all other Coverages:
       i. an act or series of related acts involving one or more persons; or
       ii. an act or event, or series of related acts or events not involving any person.

13. "Policy Declarations" means the policy declarations applicable to this policy for the current policy period, including any supplementary pages or schedules.

14. "premises" means the interior of that portion of any building at a location shown on the "Policy Declarations" which is occupied by the Insured in conducting its business. As respects "robbery" only, the premises will also include the space immediately surrounding such building.

15. "robbery" means the unlawful taking of property from the care and custody of any person authorized to have custody of such property by anyone who has:
    a. inflicted bodily harm or threatened such person with bodily harm;
    b. committed an obviously unlawful act, witnessed by that person; or
    c. taken the property from such person who has been killed or rendered unconscious by injuries inflicted maliciously or sustained accidentally.

16. "safe burglary" means the unlawful taking of:
    a. a safe from within the "premises"; or
    b. property from within a locked safe or vault by a person unlawfully entering the safe or vault, provided there is evidence of such unauthorized entry in the form of visible marks on the exterior of such safe or vault.

17. "securities" means all negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
    a. tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
    b. evidence of dept issued in connection with credit or charge cards, which cards are not issued by the Insured;

    but does not include "money".

18. "terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

19. “theft” means the unlawful taking and carrying away of the property of another.

20. "transfer account" means an account, maintained by the Insured at a financial institution, from which the Insured or the Insured's authorized representatives can initiate the transfer, payment or delivery of "money" or "securities":
    a. by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly or through an electronic funds transfer system; or
    b. by means of written instructions (other than those described in Coverage D.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

This endorsement changes insurance provided by:

PROPERTY FORM – 911000-05

V.2. SPECIAL CONDITIONS, BASIS OF SETTLEMENT - FUNCTIONAL REPLACEMENT COST is deleted and replaced by the following:

2. BASIS OF SETTLEMENT

a. Functional Replacement Cost
  i. The limit the Insurer will pay for loss of or damage to insured property will be the amount actually expended by the Insured to repair or replace such property, subject to the following provisions:
    (a). the damaged property must be repaired or replaced with due diligence and dispatch;
    (b). the amount the Insurer will pay for any repair or replacement will be limited to the lesser of:
      (i.) the cost at the time of the loss or damage to repair such property, or
      (ii.) the replacement cost of such property at the time of the loss or damage.
    (c) in the event the replacement is by property of a better kind or quality or of larger capacity or size, the liability of the Insurer will not exceed the amount that would be paid if the replacement had been made by property of like, kind, capacity, size and quality;
    (d) in the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that damaged or destroyed and which is capable of performing the same function will be deemed to be new property of like kind and quality for the purposes of this condition.
  ii. Failing compliance by the Insured with any of the foregoing provisions, settlement will be made on the basis of actual cash value.
  iii. Settlement on a replacement cost basis does not apply to:
    (a) "stock";
    (b) "fine arts";
    (c) "valuable papers and records";
    (d) manuscripts and records meaning books of account, drawing, card index system and other records, "media", and program devices for electro mechanical data processing or for electronically controlled equipment;
    (e) insured property that is obsolete for its original purpose.

b. Extended Replacement Cost
  Applies separately to each “premises” for which Extended Replacement Cost Endorsement is shown on the "Policy Declarations", subject to an additional percentage of the applicable limit of insurance as shown on the “Policy Declarations.
  i. In the event of insured loss or damage to “buildings”, the Insurer will indemnify the Insured in accordance with V-1, Basis of Valuation and V-2.- Basis of Settlement- Functional Replacement Cost as determined at the time of the loss, regardless of the limit of insurance that may be been shown on the “Policy Declarations”.
  ii. The Insured agrees to:
    (a) report to the Insurer the estimated cost of any improvements, alterations, additions or renovations made to the "building” during the policy term, within 60 days of their commencement,
    (b) report to the Insurer the actual costs of such improvements, alterations, additions or renovations within 60 days of completion; and
    (c) pay an appropriate additional premium as may be required by the Insurer for such improvements, alterations, additions or renovations.
  iii. If such improvements, alterations, additions or renovations are not reported to the Insurer, any payment under this endorsement will be reduced by an amount equivalent to the percentage that the full replacement value of the unreported construction bears to the full value of the "building". This reduction will be waived by the Insurer if the full replacement value of the unreported construction represents less than 5% of the full replacement cost of the" building".
  iv. A certified reconstruction appraisal or its’ annual updated certificate is on file with the insurer or broker that is not more than 14 months old and the amount insured is no less than the reconstruction amount specified in that appraisal.

All other terms, conditions exclusions and limitations of the policy are unchanged.

This endorsement changes insurance provided by:
SEWER BACK-UP ENDORSEMENTS – 911303-02

3. Limit of Insurance is deleted and replaced by the following:

3. Limit of Insurance
If a limit of insurance is shown on the "Policy Declarations" for this endorsement, that limit is the most the Insurer will pay in any one occurrence for loss of or damage to insured property caused by "sewer back up".
The limit of insurance does not apply for loss or damage occurring while the insured building is vacant, unoccupied or is in course of construction, irrespective of any permission given elsewhere in the policy form for vacancy or construction.

All other terms, conditions exclusions and limitations of the policy are unchanged.

CP-AJG VACANT PROPERTY AMENDMENT ENDORSEMENT
981358-01

This endorsement changes insurance provided by:
PROPERTY FORM – 911000-05

III.B.1.n., EXCLUSIONS, EXCLUDED PROPERTY is deleted and replaced by the following .

n. Vacant properties
Property at locations which to the knowledge of the Insured, are vacant, unoccupied or shut down for more than 60 consecutive days. This exclusion does not apply to locations:
i. that are shown on the "Policy Declarations" as a seasonal business, and
ii. the seasonal vacancy, unoccupancy or shut down does not exceed 9 consecutive months.

All other terms, conditions exclusions and limitations of the policy are unchanged.

This endorsement modifies the insurance provided under the property form covering insured property.

Exterior Building Glass

The insurance under this policy is extended to insure damage to exterior (plate) glass or vitrolite and any lettering, ornamentation or burglar alarm foil thereon, caused by breakage or by chemicals accidentally or maliciously applied when such glass, or vitrolite, forms part of a "building" occupied or owned by the Insured and includes necessary expenses incurred to:

a) Board up openings or install temporary plates if repair or replacement of the damaged building glass or vitrolite is delayed; and

b) Remove or replace any fixtures or other obstructions to the replacement of the damaged building glass or vitrolite. This does not include expenses incurred to remove or replace window displays.

All other terms, conditions limitations and exclusions of the policy are unchanged.

NON OWNED AUTOMOBILE
SPF#6

WHEREAS AN APPLICATION HAS BEEN MADE BY THE APPLICANT (HEREINAFTER CALLED THE INSURED) TO THE INSURER FOR A CONTRACT OF AUTOMOBILE INSURANCE AND THE SAID APPLICATION FORMS PART OF THIS CONTRACT OF INSURANCE AND IS AS FOLLOWS:

ITEMS **APPLICATION**

1. FULL NAME OF THE APPLICANT: ....

   POSTAL ADDRESS: ....
   (INCLUDING COUNTY OR DISTRICT)

   APPLICANT IS: ....

2. POLICY PERIOD - FROM: .... TO: ....
   12.01 A.M. STANDARD TIME AT THE APPLICANT'S ADDRESS STATED HEREIN AS TO EACH OF SAID DATES

3. THE AUTOMOBILES IN RESPECT OF WHICH INSURANCE IS TO BE PROVIDED ARE THOSE NOT OWNED IN WHOLE OR IN PART BY, NOR LICENSED IN THE NAME OF THE APPLICANT, USED IN THE APPLICANT'S BUSINESS OF: AS PER DECLARATIONS

4. THE APPLICANT'S PARTNERS, OFFICERS, EMPLOYEES AND AGENTS AS OF THE DATE OF THIS APPLICATION ARE AS FOLLOWS:

LOCATION

PARTNERS, OFFICERS AND EMPLOYEES WHO REGULARLY USE AUTOMOBILES NOT OWNED BY THE APPLICANT IN THE APPLICANT'S BUSINESS

ALL OTHER PARTNERS, OFFICERS AND EMPLOYEES

ALL APPLICANT'S AGENTS

(CLASS "A1" PRIVATE PASSENGER) (CLASS "A2" COMMERCIAL) (CLASS "B") (CLASS "C")

NUMBER	RATE	PREMIUM	NUMBER	RATE	PREMIUM	NUMBER	RATE	PREMIUM	NUMBER	RATE

C O V E R E D I F A N Y T O B E R E P O R T E D

5. "HIRED AUTOMOBILES" - THE AUTOMOBILES HIRED BY THE APPLICANT ARE AS FOLLOWS:

   TYPE OF AUTOMOBILE
   ESTIMATED COST OF HIRE
   RATES PER $100 OF COST OF HIRE
   ADVANCE PREMIUM

C O V E R E D I F A N Y T O B E R E P O R T E D

THE ADVANCE PREMIUM IS SUBJECT TO ADJUSTMENT AT THE END OF THE POLICY PERIOD AS PROVIDED IN THE POLICY.

6. "AUTOMOBILES OPERATED UNDER CONTRACT" ON BEHALF OF THE APPLICANT ARE AS FOLLOWS:

   TYPE OF AUTOMOBILE AND DESCRIPTION OF USE
   ESTIMATED CONTRACT COST
   RATES PER $100 OF CONTRACT COST
   ADVANCE PREMIUM

C O V E R E D I F A N Y T O B E R E P O R T E D

THE ADVANCE PREMIUM IS SUBJECT TO ADJUSTMENT AT THE END OF THIS POLICY PERIOD AS PROVIDED IN THE POLICY.

7. THIS APPLICATION IS MADE FOR INSURANCE AGAINST THE PERILS MENTIONED IN THIS ITEM AND UPON THE TERMS AND CONDITIONS OF THE INSURER'S CORRESPONDING STANDARD POLICY FORM AND FOR THE FOLLOWING SPECIFIED LIMIT.

INSURING AGREEMENT

SECTION A THIRD PARTY LIABILITY

PERILS

LEGAL LIABILITY FOR BODILY INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO PROPERTY OF OTHERS NOT IN THE CARE, CUSTODY OR CONTROL OF THE APPLICANT.

LIMIT

$ AS PER DEC (EXCLUSIVE OF INTEREST AND COSTS) FOR LOSS OR DAMAGE RESULTING FROM BODILY INJURY TO OR THE DEATH OF ONE OR MORE PERSONS, AND FOR LOSS OR DAMAGE TO PROPERTY REGARDLESS OF THE NUMBER OF CLAIMS ARISING FROM ANY ONE ACCIDENT.

COMBINED PREMIUMS

$ AS PER DECLARATIONS
ENDORSEMENTS - AS PER DECLARATIONS
MINIMUM RETAINED PREMIUM $
TOTAL PREMIUM

$ AS PER DECLARATIONS

8. HAS ANY INSURER CANCELLED, DECLINED OR REFUSED TO RENEW OR ISSUE AUTOMOBILE INSURANCE TO THE APPLICANT WITHIN THREE YEARS PRECEDING THIS APPLICATION? IF SO, STATE NAME OF INSURER.

   NO

9. STATE PARTICULARS OF ALL ACCIDENTS OR CLAIMS ARISING OUT OF THE USE OR OPERATION IN HIS BUSINESS OF NON-OWNED AUTOMOBILES BY THE APPLICANT WITHIN THE THREE YEARS PRECEDING THIS APPLICATION.

INJURY TO PERSONS AS KNOWN TO COMPANY	DAMAGE TO PROPERTY OF OTHERS AS KNOWN TO COMPANY

10 ALL THE STATEMENTS IN THIS APPLICATION ARE TRUE AND THE APPLICANT HEREBY APPLIES FOR A CONTRACT OF AUTOMOBILE INSURANCE TO BE BASED ON THE TRUTH OF THE SAID STATEMENTS.

11 Where, (a) an applicant for a contract gives false particulars of the described automobile to be insured to the prejudice of the Insurer, or knowingly misrepresents or fails to disclose in the application any fact required to be stated therein; or (b) the Insured contravenes a term of the contract or commits a fraud; or (c) the Insured wilfully makes a false statement in respect of a claim under the contract, a claim by the Insured is invalid and the right of the Insured to recover indemnity is forfeited.

INSURING AGREEMENT

Now, Therefore, in Consideration of the payment of the premium specified and of the statements contained in the application and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated

SECTION A - THIRD PARTY LIABILITY

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured for loss or damage arising from the use or operation of any automobile not owned in whole or in part by or licensed in the name of the Insured, and resulting from

BODILY INJURY TO OR THE DEATH OF ANY PERSON OR DAMAGE TO PROPERTY OF OTHERS NOT IN THE CARE, CUSTODY OR CONTROL OF THE INSURED:

Provided always the Insurer shall not be liable under this Policy;

a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or

*b) for any liability imposed upon any person insured by this Policy:

(1) by any workmen's compensation law; or

(2) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or

c) for any liability assumed by any person insured by this Policy voluntarily under any contract or agreement; or

d) for loss or damage to property carried in or upon an automobile personally driven by any person insured by this Policy or to any property owned or rented by, or in the care, custody or control of any such person; or

e) for any amount in excess of the limit stated in Item 7 of the application, and expenditures provided for in the Additional Agreements of this Policy; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

* Not applicable in the Province of Ontario

ADDITIONAL AGREEMENTS OF INSURER

Where indemnity is provided by this Policy, the Insurer further agrees:

1) upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this Policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and

2) to defend in the name and on behalf of any person insured by this Policy and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and

3) to pay all costs taxed against any person insured by this Policy in any civil action defended by the insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limits of the Insurer's liability; and

4) in case the injury be to a person, reimburse any person Insured by this Policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and

5) be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated in section A of Item 7 of the application; and

6) not set up any defense to a claim that might not be set up if the Policy were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

AGREEMENTS OF INSURED

Where indemnity is provided by this section, every person insured by this Policy

a) by the acceptance of this Policy, constitutes and appoints the Insurer his irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the Insured arising out of the use or operation of an automobile with respect to which insurance is provided hereunder;

b) shall reimburse the Insurer, upon demand, in the amount which the Insurer has paid by reason of the provisions of any statute relating to automobile insurance and which the Insurer would not otherwise be liable to pay under this Policy.

GENERAL PROVISIONS AND DEFINITIONS

1. ADDITIONAL INSUREDS

The Insurer agrees to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or employee of the Insured who, with the consent of the owner thereof, personally drives

a) in the business of the Insured stated in Item 3 of the application, any automobile not owned in whole or in part by or licensed in the name of

(i) the Insured, or

(ii) such additional insured person, or

(iii) any person or persons residing in the same dwelling premises as the Insured or such additional insured person, or

b) any automobile hired or leased in the name of the Insured except an automobile owned in whole or in part or licensed in the name of such additional insured person.

2. TERRITORY

This Policy applies only to the use or operation of automobiles within Canada or the United States of America or upon a vessel plying between ports of those countries.

3. HIRED AUTOMOBILES DEFINED

The term "Hired Automobiles" as used in this Policy means automobiles hired or leased from others with or without drivers, used under the control of the Insured in the business stated in Item 3 of the application but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

4. AUTOMOBILES OPERATED UNDER CONTRACT DEFINED

The term "Automobiles Operated under Contract" as used in this Policy shall mean automobiles operated in the business of the Insured stated in Item 3 of the application where the complete supervision, direction and control of such automobiles remain with the owner thereof, but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

5. TWO OR MORE AUTOMOBILES

When two or more automobiles are insured hereunder the terms of this Policy shall apply separately to each, but a motor vehicle and a trailer or trailers attached thereto shall be held to be one automobile as respects limits of liability under Section A.

6. PREMIUM ADJUSTMENT

The Advance Premium stated in Item 5 of the application is computed on the estimated total "cost of hire" for the Policy Period. The words "cost of hire" as used herein mean the entire amount incurred for "Hired Automobiles" and drivers when such automobiles are hired with drivers or the amount incurred for hired automobiles and the wages paid to drivers when such drivers are employees of the Insured.

The Advance Premium stated in Item 6 of the application is computed on the estimated total "contract cost" for the Policy Period. The words "contract cost" as used herein mean the entire amount paid by the Insured for "Automobiles Operated under Contract" to the owners thereof.

The Advance Premiums are subject to adjustment at the end of the Policy Period when the Insured shall deliver to the Insurer a written statement of the total amounts expended for cost of hire during the Policy Period. If such amounts exceed the estimates stated in the application, the Insured shall immediately pay additional premium at the rates stated therein; if less, the Insurer shall return to the Insured the unearned premium when determined but the Insurer shall, in any event, receive or retain not less than the Minimum Retained premium stated therein.

The Insurer shall have the right and opportunity, whenever the Insurer so desires, to examine the books and records of the Insured to the extent they relate to the premium bases or the subject matter of this Policy.

STATUTORY CONDITIONS

(YUKON TERRITORY, NORTHWEST TERRITORIES, ALBERTA, ONTARIO. NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND AND NEWFOUNDLAND)

(For use with S.P.F. No's. 1, 2, 4 and 6)

In these statutory conditions, unless the context otherwise requires, the word "Insured" means a person insured by this contract whether named or not.

NOTE: All of the Statutory Conditions contain the above wording. However,

- in all of the Provinces and Territories using these standard, approved forms, only Statutory Conditions 1, 8 and 9 are made applicable to accident benefits insurance and uninsured motorist insurance where it is provided by the contract.

- in the Northwest Territories the definition of "insured person" must be read as containing in addition the words "and includes any person to whom benefits may be payable under the accident benefits set out in the Schedule to the Insurance Ordinance."

Material Change in Risk

1. 1) The Insured named in this contract shall promptly notify the Insurer or its local agent in writing of any change in the risk material to the contract and within the

Insured's knowledge.

2) Without restricting the generality of the foregoing, the words "change in the risk material to the contract" include:

a) any change in the insurable interest of the Insured named in this contract in the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings under the Bankruptcy Act (Canada):

and in respect of insurance against loss of or damage to the automobile.

b) any mortgage, lien or encumbrance affecting the automobile after the application for this contract;

c) any other insurance of the same interest, whether valid or not, covering loss or damage insured by this contract or any portion thereof.

NOTE: In Prince Edward Island Statutory Condition 1, sub-conditions 2 and 3 are identical with the above quoted Statutory Condition relating to material change in risk.

Prohibited Use by Insured

2. 1) The Insured shall not drive or operate the automobile,

a) unless the Insured is for the time being either authorized by law or qualified to drive or operate the automobile; or

b) while the Insured's licence to drive or operate an automobile is suspended or while the Insured's right to obtain a licence is suspended or while he is prohibited under order of any court from driving or operating an automobile; or

c) while the Insured is under the age of sixteen years or under such other age as is prescribed by the law of the province in which he resides at the time this contract is made as being the minimum age at which a licence or permit to drive an automobile may be issued to him; or d) for any illicit or prohibited trade or transportation; or e) in any race or speed test.

Prohibited Use by Others

2) The Insured shall not permit, suffer, allow or connive at the use of the automobile.

a) by any person,

(i) unless that person is for the time being either authorized by law or qualified to drive or operate the automobile; or

(ii) while that person is under the age of sixteen years or under such other age as is prescribed by the law of the province in which the person resides at the time this contract is made as being the minimum age at which a licence or permit to drive an automobile may be issued to the person; or

b) by any person who is a member of the household of the Insured while that person's licence to drive or operate an automobile is suspended or while his right to obtain a licence is suspended or while he is prohibited under order of any court from driving or operating an automobile; or c) for any illicit or prohibited trade or transportation; or d) in any race or speed test.

Requirements Where Loss or Damage to Persons or Property

3. 1) The Insured shall,

a) promptly give to the Insurer written notice, with all available particulars, of any accident involving loss or damage to persons or property and of any claim made on account of the accident;

b) verify by statutory declaration, if required by the Insurer, that the claim arose out of the use or operation of the automobile and that the person operating or responsible for the operation of the automobile at the time of the accident is a person insured under this contract; and

c) forward immediately to the Insurer every letter, document, advice or writ received by the Insured from or on behalf of the claimant.

2) The Insured shall not,

a) voluntarily assume any liability or settle any claim except at the Insured's own cost; or

b) interfere in any negotiations for settlement or in any legal proceeding.

3) The Insured shall, whenever requested by the Insurer, aid in securing information and evidence and the attendance of any witness and shall co-operate with the Insurer, except in a pecuniary way, in the defence of any action or proceeding or in the prosecution of any appeal.

Requirements Where Loss or Damage to Automobile

4. 1) Where loss of or damage to the automobile occurs, the Insured shall, if the loss or damage is covered by this contract,

a) promptly give notice thereof in writing to the Insurer with the fullest information obtainable at the time;

b) at the expense of the Insurer, and as far as reasonably possible, protect the automobile from further loss or damage; and

c) deliver to the Insurer within ninety days after the date of the loss or damage a statutory declaration stating, to the best of the Insured's knowledge and belief, the place, time, cause and amount of the loss or damage, the interest of the Insured and of all others therein, the encumbrances thereon, all other insurance, whether valid or not, covering the automobile and that the loss or damage did not occur through any wilful act or neglect, procurement, means or connivance of the Insured.

2) Any further loss or damage accruing to the automobile directly or indirectly from a failure to protect it as required under subcondition (1) of this condition is not recoverable under this contract.

3) No repairs, other than those that are immediately necessary for the protection of the automobile from further loss or damage, shall be undertaken and no physical evidence of the loss or damage shall be removed,

a) without the written consent of the Insurer; or

b) until the Insurer has had a reasonable time to make the examination for which provision is made in statutory condition 5.

Examination of Insured

4) The Insured shall submit to examination under oath, and shall produce for examination at such reasonable place and time as is designated by the Insurer or its representative all documents in the Insured's possession or control that relate to the matters in question, and the Insured shall permit extracts and copies thereof to be made.

Insurer Liable for Cash Value of Automobile

5) The Insurer shall not be liable for more than the actual cash value of the automobile at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated according to that actual cash value with proper deduction for depreciation, however caused, and shall not exceed the amount that it would cost to or replace the automobile, or any part thereof, with material of like kind and quality, but, if any part of the automobile is obsolete and out of stock, the liability of the Insurer in respect thereof shall be limited to the value of that part at the time of loss or damage, not exceeding the maker's latest list price.

Repair or Replacement

6) Except where an appraisal has been made, the Insurer, instead of making payment, may, within a reasonable time, repair, rebuild or replace the property damaged or lost, with other of like kind and quality if, within seven days after the receipt of the proof of loss, it gives written notice of its intention to do so.

No Abandonment; Salvage

7) There shall be no abandonment of the automobile to the Insurer without the Insurer's consent. If the Insurer exercises the option to replace the automobile or pays the actual cash value of the automobile, the salvage , if any, shall vest in the Insurer.

In Case of Disagreement

8) In the event of disagreement as to the nature and extent of the repairs and replacements required, or as to their adequacy, if effected, or as to the amount payable in respect of any loss or damage, those questions shall be determined by the appraisal as provided under The Insurance Act (in Newfoundland, The Insurance Contracts Act) before there can be recovery under this contract, whether the right to recover 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.

Inspection of Automobile

5. The Insured shall permit the Insurer at all reasonable times to inspect the automobile and its equipment.

Time and Manner of Payment of Insurance Money

6. 1) The Insurer shall pay the insurance money for which it is liable under this contract within sixty days after the proof of loss has been received by it or, where an appraisal is made under subcondition (8) of statutory condition 4, within fifteen days after the award is rendered by the appraisers.

When Action May be Brought

2) The Insured shall not bring an action to recover the amount of a claim under this contract unless the requirements of statutory conditions 3 and 4 are complied with or until the amount of the loss has been ascertained as therein provided or by a judgment against the Insured after trial of the issue or by agreement between the parties with the written consent of the Insurer.

Limitation of Actions

3) Every action or proceeding against the Insurer under this contract in respect of loss or damage to the automobile shall be commenced within one year next after the happening of the loss and not afterwards, and in respect of loss or damage to persons or property shall be commenced within one year next after the cause of action arose and not afterwards.

NOTE: In Yukon Territory, Northwest Territories and New Brunswick, the one year limitation period in sub-condition (3) should read "2 years".

In the case of Nova Scotia, Newfoundland and Prince Edward Island sub-condition (3) reads as follows:

"(3) Every action or proceeding under this contract against the Insurer in respect of a claim for indemnification for liability of the Insured for loss or damage to property of another person or for personal injury to or death of another person shall be commenced within two years after the liability of the Insured is established by a court of competent jurisdiction and not afterwards. Every other action or proceeding against the Insurer under this contract in respect of loss or damage to the automobile shall be commenced within two years from the time the loss or damage was sustained and not afterwards."

Who May Give Notice and Proofs of Claim

7. Notice of claim may be given and proofs of claim may be made by the agent of the Insured named in this contract in case of absence or inability of the Insured to give the notice or make the proof, such 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.

Termination

8. 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 the 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.

NOTE: In the Northwest Territories, paragraph (a) of sub-condition 1 has the following words added:

"and by notifying the registrar of motor vehicles as required by the Vehicles Ordinance".

Notice

9. 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.

NOTE: In the Northwest Territories, the reference is to Territories and in the Yukon Territory the reference is to Territory rather than the Province.

In Witness Whereof, the Insurer has executed and attested these presents but this Policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.

POLLUTION LIABILITY COVERAGE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE

In consideration of the premium charged, it is hereby agreed the following coverage is added to the policy.

I. For the purposes of this endorsement, it is agreed that the following paragraphs are added to the **COMMERCIAL GENERAL LIABILITY POLICY, SECTION I. COVERAGES:**

COVERAGE E. POLLUTION LIABILITY COVERAGE

1. Insuring Agreement

We will pay those sums in excess of the Pollution Liability deductible amount shown in the Declarations that the Insured becomes legally obligated to pay because of “bodily injury” or “property damage” arising out of an unexpected and unintended spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants” caused by an “occurrence” to which this insurance otherwise applies.

2. Exclusions

This insurance does not apply to:

a. “bodily injury”, “property damage” that the insured becomes legally obligated to pay arising out of a spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants”:

i. which occurred prior to the policy period shown in the Declarations

ii. at, on, under or migrating from any premises, site or location which is or was at any time used by or for the insured or others for the handling, storage, disposal, processing or treatment of waste;

iii. arising from the transportation, handling, storage, disposal, processing or treatment of waste by or for an insured or organization for whom the insured may be legally responsible;

iv. at, on, under or migrating from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on behalf of an insured are performing operations if the operations are for clean-up; or

v. at, on, under or migrating from any premises, site or locations:

1) which is or was at any time owned or occupied by, or rented or loaned to an insured; or

2) on which any insured or any contractors or subcontractors working directly or indirectly on behalf of any insured are performing operations if the “pollutants” are brought onto the premises, site or location in connection with such operations by or on the instructions of such insured, contractor or subcontractor;

But paragraph v. does not apply to "bodily injury" or "property damage":

(i) If caused by heat, smoke or fumes or from fire extinguishing substances used to fight a fire which becomes uncontrollable or breaks out from where it is intended to be; or

(ii) If the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":

(a) commences during the policy period stated in the Declarations; and

(b) is detected within 120 hours of its commencement; and

(c) is reported to us within 120 hours of its being detected; and

(d) is a quantity or with a quality that is in excess of that which is routine or usual to the business of the insured.

b. Any fines or penalties assessed against or imposed upon by any insured.

c. Any loss resulting from an "underground storage tank incident"

3. Supplementary Payments

We will pay, with respect to any claim or "action" we defend:

a. All expenses we incur.

b. The costs of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "action", including actual loss of earnings up to $100 a day because of time off work.

d. All costs taxed against the insured in the "action" and any interest accruing after entry of judgement upon that part of the judgement which is within the applicable limit of insurance. These payments will reduce the Pollution Liability Limits of Insurance shown in the Declarations.

II. For the purposes of this endorsement, it is agreed that the following conditions are added to the **COMMERCIAL GENERAL LIABILITY POLICY, SECTION III. LIMITS OF INSURANCE:**

LIMITS OF INSURANCE

The Pollution Liability Limit shown in the Declarations is the most we will pay for the sum of all damages and supplementary payments because of a "bodily injury" or "property damage" arising out of any one "occurrence" under this policy.

The Pollution Liability deductible amount stated on the Declarations is applicable to each "occurrence". The deductible amount applies once to each "occurrence" and applies to defense expenses, investigation, settlement, compromise, or indemnification.

III. For the purposes of this endorsement, it is agreed that the following definitions will apply:

1. “Property Damage” means:

   a. Physical injury to tangible property, including all resulting loss of use of that property; or

   b. Loss of use of tangible property that is not physically injured; or

   c. “Clean-up costs”

2. **“Underground storage tank incident”** means an unexpected or unintended spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants” from an “underground storage tank system” into ground water, surface water or subsurface soils.

3. **“Underground storage tank system”** means an underground storage tank including any associated underground pumps and piping, that has at least 10% of its volume below ground.

4. **“Pollutants”** means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

5. **“Clean-up costs”** means reasonable and necessary expenses incurred in the investigation, evaluation, monitoring, testing, removal, containment, treatment, response, disposal, remediation, detoxification or neutralization of any “pollutants” to the extent required by applicable environmental laws.

6. **“Environmental laws”** mean federal, state, provincial, municipal or other local laws, statutes, ordinances, regulations, and all amendments thereto, including state voluntary clean-up or risk-based corrective action guidance, governing the liability of the insured with respect to the spillage, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants”.

All other terms and conditions remain the same.

LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES ENDORSEMENT (SEF #94)

Applicable to Non-Owned Automobile Liability – SPF6

In consideration of the premium herein stated, the Policy to which this endorsement is attached is extended, subject always to the condition that the Insurer shall be liable under the subsection or subsections as specified in the "Declarations".

LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured or assumed by him under any contract or agreement for loss or damage arising from the care, custody or control of "Hired Automobiles" as defined in such policy and resulting from loss or damage thereto, caused solely by:

Subsection 1 – **All Perils –** from all perils;

Subsection 2 – **Collision or Upset –** caused by collision with another object or by upset;

Subsection 3 – **Comprehensive –** from any peril other than by collision with another object or by upset;

The words "another object" as used in this subsection shall be deemed to include (a) a vehicle to which the automobile is attached and (b) the surface of the ground and any other object therein or thereon.

Loss or damage caused by missiles, failing or flying objects, fire, theft, explosion, earthquake, windstorm, hail, rising water, malicious mischief, riot or civil commotion shall be deemed loss or damage for which insurance is provided under subsection 3.

Subsection 4 **– Specified Perils –** caused by fire, lightning, theft or attempt thereat, windstorm, earthquake, hail, explosion, riot or civil commotion, falling or forced landing of aircraft or of parts thereof, rising water, or the stranding, sinking, burning, derailment or collision of any conveyance in or upon which the automobile is being transported on land or water.

DEDUCTIBLE CLAUSE

Each occurrence causing loss or damage covered under any subsection hereof except loss or damage caused by fire or lightning or theft of the entire automobile covered by such subsection shall give rise to a separate claim in respect to which the Insurer's liability shall be limited to the amount of loss or damage in excess of the amount deductible, if any, stated in the applicable subsection hereof.

TWO OR MORE AUTOMOBILES

A motor vehicle and one or more trailers or semi-trailers attached thereto shall be held to be separate automobiles with respect to the liability, including the deductible provision, if any, under this Insurance Agreement.

The Insurer shall not be liable:

(1) for loss or damage to any automobile while personally driven by the Insured if the Insured is an individual; or

(2) under any subsection hereof for loss or damage

(a) to tires or consisting of or caused by mechanism fracture or breakdown of any part of an automobile or by rusting, corrosion, wear and tear, freezing or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by each subsection; or

(b) to any automobile while being used without the consent of the owner thereof; or

(c) caused directly or indirectly by contamination by radioactive material; or

(d) to contents of trailers or to rugs or robes; or

(e) to tapes and equipment for use with a tape recorder when detached therefrom; or

(f) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by the operation of armed forces while engaged in hostilities whether war be declared or not; or

(g) for any amount in excess of the limit stated in the applicable subsection hereof and expenditures provided for in the Additional Agreements of the policy to which this endorsement is attached; or

(3) under subsections 3 (Comprehensive), 4 (Specified Perils) for a collision loss or damage occurring after theft by any person or persons residing in the same dwelling premises as the Insured, or by any employee of the Insured engaged in the operation, maintenance or repair of the automobile whether the theft occurs during the hours of such service or employment or not unless the policy provides insurance under subsections 1 or 2.

ADDITIONAL AGREEMENT

The Insurer further agrees to pay general average, salvage and fire department charges and custom duties of Canada or of the United States of America for which the Insured is legally liable.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under Paragraph 3. of Section II – Who is an Insured. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V –Definitions.

Various provisions in this Coverage Form restrict coverage. Read the entire Coverage Form carefully to determine rights, duties and what is and is not covered.

SECTION I – COVERAGES

COVERAGE A. BODILY INJURY and PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:

(1) The amount we will pay for "compensatory damages" is limited as described in Section III – Limits Of Insurance; and
(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
(2) The "bodily injury" or "property damage" occurs during the policy period; and
(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
(2) Receives a written or verbal demand or claim for "compensatory damages" because of the "bodily injury" or "property damage"; or
(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. "Compensatory damages" because of "bodily injury" include "compensatory damages" claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages":

(1) That the insured would have in the absence of the contract or agreement; or
(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable legal fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be "compensatory damages" because of "bodily injury" or "property damage", provided:

  (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  (b) Such legal fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which "compensatory damages" to which this insurance applies are alleged.

c. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment or employment compensation law or any similar law.

d. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

  (a) Employment by the insured; or
  (b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph 2. d. (1) above.

This exclusion applies:

(i) Whether the insured may be liable as an employer or in any other capacity; and
(ii) To any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury.

This exclusion does not apply to:

(a) Liability assumed by the insured under an "insured contract"; or
(b) A claim made or an "action" brought by a Canadian resident "employee" on whose behalf contributions are made by or required to be made by you under the provisions of any Canadian provincial or territorial workers' compensation law, if cover or benefits have been denied by any Canadian Workers' Compensation Authority.

e. Aircraft or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others by or on behalf of any insured of:

(i) Any aircraft, air cushion vehicle or watercraft; or
(ii) Any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.

Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;
(2) A watercraft that is:
  (a) Less than 10 metres long; and
  (b) Not being used to carry persons or property for a charge;
(3) "Bodily injury" to an "employee" of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any Canadian provincial or territorial workers' compensation law, if the "bodily injury" results from an "occurrence" involving watercraft.

f. Automobile

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the ownership, use or entrustment to others by or on behalf of the insured of any "automobile". Use includes operation and "loading or unloading". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".

This exclusion also applies to:

(a) any motorized snow vehicle or its trailers falling within the definition of "automobile".

(b) any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity whether or not it is required by law to be insured under a contract evidenced by a motor vehicle liability policy.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, use or entrustment to others of any "automobile".

This exclusion does not apply to:

(1) "Bodily injury" to an "employee" of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any Canadian provincial or territorial workers' compensation law.
(2) "Bodily injury" or "property damage" arising out of a defective condition in, or improper maintenance of, any "automobile" owned by the Insured while leased to others for a period of 30 days or more provided the lessee is obligated under contract to ensure that the "automobile" is insured.
(3) the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment, but this exception does not apply when such equipment is used for the purpose of "loading or unloading".

g. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
(3) Property loaned to you;
(4) Personal property in your care, custody or control;
(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

h. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

i. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

j. Damage To Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

k. Recall of Products, Work or Impaired Property

"Compensatory damages" claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";
(2) "Your work"; or
(3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

l. Electronic Data

"Compensatory damages" arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

m. Personal and Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

n. Professional Services

"Bodily injury" (other than "incidental medical malpractice injury"), or "property damage" due to the rendering of or failure to render by you or on your behalf of any "professional services" for others, or any error or omission, malpractice or mistake in providing those services.

o. Abuse

a. Claims or "actions" arising directly or indirectly from "abuse" committed or alleged to have been committed by an insured, including the transmission of disease arising out of any act of "abuse".

b. Claims or "actions" based on your practices of "employee" hiring, acceptance of "volunteer workers" or supervision or retention of any person alleged to have committed "abuse".

c. Claims or "actions" alleging knowledge by an insured of, or failure to report, the alleged "abuse" to the appropriate authority(ies).

p. Damage from Blasting, Pile Driving, Removal or Weakening of Support

"Property damage" arising out of:

(1) The use of explosives for blasting;
(2) Vibration from pile driving or caisson work; or
(3) The removal or weakening of support of any property, building or land whether such support be natural or otherwise.

This exclusion does not apply:

(1) To "property damage" arising out of work performed on your behalf by any contractor or sub-contractor; or
(2) To "property damage" included within the "products-completed operations hazard".

q. Asbestos – see Common Exclusions

r. Fungi or Spores – see Common Exclusions

s. Nuclear– see Common Exclusions

t. Pollution – see Common Exclusions

u. Terrorism – see Common Exclusions

v. War Risks – see Common Exclusions

COVERAGE B. PERSONAL and ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "action" that may result. But:

(1) The amount we will pay for "compensatory damages" is limited as described in Section III – Limits Of Insurance; and
(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages" that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media and Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web-sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 22. a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Asbestos – see Common Exclusions

n. Fungi or Spores – see Common Exclusions

o. Nuclear– see Common Exclusions

p. Pollution – see Common Exclusions

q. Terrorism – see Common Exclusions

r. War Risks – see Common Exclusions

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;
(2) On ways next to premises you own or rent; or
(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;
(2) The expenses are incurred and reported to us within one year of the date of the accident; and
(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance as described in Section III – Limits of Insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;
(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation and Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

COVERAGE D. TENANTS' LEGAL LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "property damage" to which this insurance applies. This insurance applies only to "property damage" to premises of others rented to you or occupied by you. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:

(1) The amount we will pay for "compensatory damages" is limited as described in Section III – Limits Of Insurance; and
(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage D.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.

b. This insurance applies to "property damage" only if:

(1) The "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
(2) The "property damage" occurs during the policy period; and
(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "property damage" occurred, then any continuation, change or resumption of such "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "property damage" after the end of the policy period.

d. "Property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "property damage" to us or any other insurer;
(2) Receives a written or verbal demand or claim for "compensatory damages" because of the "property damage"; or
(3) Becomes aware by any other means that "property damage" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Property damage" expected or intended from the standpoint of the insured.

b. Contractual Liability

"Property damage" for which the insured is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages" that the insured would have in the absence of the contract or agreement.

c. Asbestos – see Common Exclusions

d. Fungi or Spores – see Common Exclusions

e. Nuclear– see Common Exclusions

f. Pollution – see Common Exclusions

g. Terrorism – see Common Exclusions

h. War Risks – see Common Exclusions

COMMON EXCLUSIONS – COVERAGES A, B, C and D

This insurance does not apply to:

1. Asbestos

"Bodily injury", "property damage", or "personal and advertising injury" related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of asbestos or any materials containing asbestos in what ever form or quantity.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

2. Fungi or Spores

a. "Bodily injury", "property damage", "personal and advertising injury" or " any other cost, loss or expense incurred by others, arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any "fungi" or "spores" however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "fungi" or "spores";

b. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or

c. Any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a. or b. above.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

This exclusion shall not apply to "bodily injury" or "property damage" which results directly from:

1. a "products-completed operations hazard" not otherwise excluded by this Coverage Form;

The most we will pay under this exception for all "bodily injury" and "property damage" in any policy period is $250,000.

The Limit of Insurance provided by this exception shall be included in and is not in addition to any other Limits of Insurance provided for "bodily injury" or "property damage" under this Coverage Form.

3. Nuclear Energy Liability

a. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;

b. "Bodily injury", "property damage" or "personal and advertising injury" with respect to which an insured under this Coverage Form is also insured under a contract of nuclear energy liability insurance (whether the insured is unnamed in such contract and whether or not it is legally enforceable by the insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability;

c. "Bodily injury", "property damage" or "personal and advertising injury" resulting directly or indirectly from the "nuclear energy hazard" arising from:

(1) The ownership, maintenance, operation or use of a "nuclear facility" by or on behalf of an insured;
(2) the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility";
(3) the possession, consumption, use, handling, disposal or transportation of "fissionable substances", or of other "radioactive material" (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an insured.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury.

4. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
(i) Any insured; or
(ii) Any person or organization for whom you may be legally responsible; or
(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment that is not an "automobile" or its parts, if such fuels, lubricants or other operating fluids escape from a mobile equipment part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:
(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
(b) Claim or "action" by or on behalf of a governmental authority for "compensatory damages" because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Section (2) does not apply to liability for "compensatory damages" because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "action" by or on behalf of a governmental authority.

5. Terrorism

"Bodily injury", "property damage" or "personal and advertising injury" arising directly or indirectly, in whole or in part, out of "terrorism" or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

6. War Risks

"Bodily injury", "property damage" or "personal and advertising injury" arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D

1. We will pay, with respect to any claim we investigate or settle, or any "action" against an insured we defend:

   a. All expenses we incur.
   b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
   c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "action", including actual loss of earnings up to $250 a day because of time off from work.
   d. All costs assessed or awarded against the insured in the "action".
   e. Any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

   These payments will not reduce the limits of insurance.

2. If we defend an insured against an "action" and an indemnitee of the insured is also named as a party to the "action", we will defend that indemnitee if all of the following conditions are met:

   a. The "action" against the indemnitee seeks "compensatory damages" for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
   b. This insurance applies to such liability assumed by the insured;
   c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
   d. The allegations in the "action" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
   e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "action" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
   f. The indemnitee:

      (1) Agrees in writing to:
         (a) Cooperate with us in the investigation, settlement or defense of the "action";
         (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "action";
         (c) Notify any other insurer whose coverage is available to the indemnitee; and
         (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
      (2) Provides us with written authorization to:
         (a) Obtain records and other information related to the "action"; and
         (b) Conduct and control the defense of the indemnitee in such "action".

   So long as the above conditions are met, legal fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b. (2) of Section I – Coverage A – Bodily Injury and Property Damage Liability, such payments will not be deemed to be "compensatory damages" for "bodily injury" and "property damage" and will not reduce the limits of insurance.

   Our obligation to defend an insured's indemnitee and to pay for legal fees and necessary litigation expenses as Supplementary Payments ends when:

   a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or

   b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

    a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
    b. A partnership, limited liability partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
    c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
    d. An organization other than a partnership, limited liability partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your shareholders are also insureds, but only with respect to their liability as shareholders.
    e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

    a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, limited liability partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

        (1) "Bodily injury" or "personal and advertising injury":
            (a) To you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
            (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
            (c) For which there is any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury described in Paragraphs (1)(a) or (b) above;
            (d) Arising out of his or her providing or failing to provide professional health care services; or
            (e) To any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law.
        (2) "Property damage" to property:

            (a) Owned, occupied or used by

            (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

        you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership, limited liability partnership or joint venture), or any member (if you are a limited liability company).

    b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

    c. Any person or organization having proper temporary custody of your property if you die, but only:

        (1) With respect to liability arising out of the maintenance or use of that property; and

        (2) Until your legal representative has been appointed.

    d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Form.

3. Any organization you newly acquire or form, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

    a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
    b. Coverages A and D do not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
    c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

    No person or organization is an insured with respect to the conduct of any current or past partnership, limited liability partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

    a. Insureds;
    b. Claims made or "actions" brought; or
    c. Persons or organizations making claims or bringing "actions".

2. The General Aggregate Limit is the most we will pay for the sum of:

    a. "Compensatory damages" under Coverage A, except "compensatory damages" because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
    b. "Compensatory damages" under Coverage B; and
    c. Medical expenses under Coverage C.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for "compensatory damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

    a. "Compensatory damages" under Coverage A; and
    b. Medical expenses under Coverage C

    because of all "bodily injury" and "property damage" arising out of any one "occurrence".

5. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all "compensatory damages" because of all "personal and advertising injury" sustained by any one person or organization.

6. The Tenants' Legal Liability Limit is the most we will pay under Coverage D for "compensatory damages" because of "property damage" to any one premises.

7. Subject to 4. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person

The Limits of Insurance of this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

8. Deductible

1. Our obligation under Bodily Injury Liability, Property Damage Liability and Tenants' Legal Liability to pay "compensatory damages" on your behalf applies only to the amount of "compensatory damages" in excess of any deductible amounts stated in the Declarations as applicable to such coverages, and the limits of insurance applicable to each "occurrence" for Bodily Injury Liability and Property Damage Liability and any one premises for Tenants' Legal Liability will be reduced by the amount of such deductible. The Products -Completed Operations Aggregate Limit and the General Aggregate Limit for such coverages shall not be reduced by the application of such deductible amount.

2. The deductible amounts stated in the Declarations apply as follows:

    A. Per Claim Basis - if the deductible is on a per claim basis, the deductible amount applies:
        1) Under Coverage A:
            a. Bodily Injury Liability or Property Damage Liability respectively:
                (i) To all "compensatory damages" because of "bodily injury" sustained by one person, or
                (ii) To all "compensatory damages" because of "property damage" sustained by one person or organization, as the result of any one "occurrence".
            b. Bodily Injury Liability and Property Damage Liability combined, to all "compensatory damages" because of "bodily injury" and "property damage" sustained by one person or organization as the result of any one "occurrence".
        2) Under Coverage D. Tenants' Legal Liability, to all "compensatory damages" because of "property damage" sustained by one person or organization as the result of any one "occurrence".

    B. Per Occurrence Basis - if the deductible is on a per occurrence basis, the deductible amount applies:
        1) Under Coverage A:
            a. Bodily Injury Liability or Property Damage Liability respectively:
                (i) To all "compensatory damages" because of "bodily injury" as the result of any one "occurrence", or
                (ii) To all "compensatory damages" because of "property damage" as the result of any one "occurrence",

            regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".

b. Bodily Injury Liability and Property Damage Liability combined, to all "compensatory damages" because of "bodily injury" and "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".

2) Under Coverage D. Tenants' Legal Liability, to all "compensatory damages" because of "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".

3. The terms of this insurance, including those with respect to:

a) our right and duty to defend any "action" seeking those "compensatory damages"; and
b) your duties in the event of an "occurrence", claim or "action"

apply irrespective of the application of the deductible amount.

4. We may pay any part or all of the deductible amount to effect settlement of any claim or "action" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Form.

2. Canadian Currency Clause

All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.

3. Changes.

This Coverage Form contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this Coverage Form with our consent. This Coverage Form’s terms can be amended or waived only by endorsement issued by us and made a part of this Coverage Form.

4. Duties In The Event Of Occurrence, Offense, Claim or Action

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;
(2) The names and addresses of any injured persons and witnesses; and
(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "action" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "action" and the date received; and
(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "action" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
(2) Authorize us to obtain records and other information;
(3) Cooperate with us in the investigation or settlement of the claim or defense against the "action"; and
(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

5. Examination Of Your Books and Records.

We may examine and audit your books and records as they relate to this Coverage Form at any time during the policy period and up to three years afterward.

6. Inspections and Surveys

1. We have the right to:

a. Make inspections and surveys at any time;
b. Give you reports on the conditions we find; and
c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under provincial or municipal statutes, ordinances, bylaws or regulations, of boilers, pressure vessels or elevators.

7. Legal Action Against Us

No person or organization has a right under this Coverage Form:

a. To join us as a party or otherwise bring us into an "action" asking for "compensatory damages" from an insured; or
b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for "compensatory damages" that are not payable under the terms of this Coverage Form or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

8. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A, B or D of this Coverage Form, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

(1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

   (a) That is Property Insurance which also includes but is not limited to Builder's Risk, Installation Floater or similar coverage for "your work" or for premises of others rented to you or occupied by you;

   (b) If the loss arises out of the maintenance or use of watercraft to the extent not subject to Exclusion e. of Section I – Coverage A – Bodily Injury and Property Damage Liability

(2) Any other primary insurance available to you covering liability for "compensatory damages" arising out of the premises or operations or products-completed operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages A, B or D to defend the insured against any "action" if any other insurer has a duty to defend the insured against that "action". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this policy.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

9. Premium Adjustment

a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.

b. The Advance Liability Premium shown in the Declarations is a deposit premium only. At the end of each policy period we will compute the earned premium for that period. If such earned premium is greater than the liability premium initially charged, the first Named Insured shall pay the excess to us. If, however, the earned premium is less than the liability premium initially charged, we will return the excess to the first Named Insured subject to the retention of the minimum liability premium shown in the Declarations.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Premiums

The first Named Insured shown in the Declarations:

a. Is responsible for the payment of all premiums; and
b. Will be the payee for any return premiums we pay.

11. Representations Or Fraud

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;
b. Those statements are based upon representations you made to us;
c. We have issued this policy in reliance upon your representations; and
d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

12. Separation Of Insureds, Cross Liability

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Form to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and
b. Separately to each insured against whom claim is made or "action" is brought.

13. Termination

a. The first Named Insured shown in the Declarations may terminate this policy by mailing or delivering to us advance written notice of termination.

b. Subject to paragraph c. below, we may terminate this policy by giving to the first Named Insured

(1) 5 days written notice of termination personally delivered, or
(2) 15 days notice of termination by registered mail if termination is for non-payment of premium, or
(3) 30 days notice of termination by registered mail if termination is for any other reason.

Registered mail termination takes effect 15 or 30 days after receipt of the letter by the post office to which it is addressed, depending upon the reason for termination.

c. To the extent that the Civil Code of the Province of Quebec is applicable to this policy General Conditions and Provisions as set out in the Civil Code of the Province of Quebec apply. Accordingly, we may terminate this policy by giving to the first Named Insured

(1) 15 days notice of termination by registered mail if termination is for non-payment of premium, or
(2) 30 days notice of termination by registered mail if termination is for any other reason..

Registered mail termination takes effect 15 or 30 days after receipt of the notice at the last known address of the first Named Insured, depending upon the reason for termination.

d. The policy period will end on the date termination takes effect.

e. If this policy is terminated, we will send the first Named Insured any premium refund due. If we terminate, the refund will be pro rata. If the first Named Insured terminates, the refund may be less than pro rata. The termination will be effective even if we have not made or offered a refund.

14. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "action" or transfer those rights to us and help us enforce them.

15. Transfer Of Your Rights and Duties Under This Coverage Form

Your rights and duties under this Coverage Form may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

SECTION V – DEFINITIONS

1. "Abuse" means any act or threat involving molestation, harassment, corporal punishment or any other form of physical, sexual or mental abuse.
2. "Action" means a civil proceeding in which "compensatory damages" because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Action" includes:
   a. An arbitration proceeding in which such "compensatory damages" are claimed and to which the insured must submit or does submit with our consent; or
   b. Any other alternative dispute resolution proceeding in which such "compensatory damages" are claimed and to which the insured submits with our consent.
3. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
   a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
   b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
4. "Automobile" means a land motor vehicle, trailer or semi trailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any attached machinery or equipment.
5. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
6. "Compensatory damages" means damages due or awarded in payment for actual injury or economic loss. "Compensatory damages" does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
7. "Coverage territory" means:
   a. Canada and the United States of America (including its territories and possessions).
   b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
   c. All other parts of the world if the injury or damage arises out of:
      (1) Goods or products made or sold by you in the territory described in a. above;
      (2) The activities of an insured person whose home is in the territory described in a. above, but is away for a short time on your business; or
      (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

   provided the insured's responsibility to pay "compensatory damages" is determined in an "action" on the merits, in the territory described in a. above or in a settlement we agree to.
8. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
9. "Employee" includes a "leased worker" and a "temporary worker".
10. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
11. "Fissionable substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
12. "Fungi" includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "fungi" or "spores" or resultant mycotoxins, allergens or pathogens.
13. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
14. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
   a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
   b. You have failed to fulfill the terms of a contract or agreement;

   if such property can be restored to use by:
   a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
   b. Your fulfilling the terms of the contract or agreement.
15. "Incidental medical malpractice injury" means "bodily injury" arising out of the rendering of or failure to render, during the policy period, the following services:
   i) medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or
   ii) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;

   by any insured or any indemnitee causing the "incidental medical malpractice injury" who is not engaged in the business or occupation of providing any of the services described in i) and ii) above.

16. "Insured contract" means:
    a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
    b. A sidetrack agreement;
    c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
    d. Any other easement agreement;
    e. An obligation, as required by ordinance or bylaw, to indemnify a municipality, except in connection with work for a municipality;
    f. An elevator maintenance agreement;
    g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "compensatory damages" because of "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

    Paragraph g. does not include that part of any contract or agreement:

    (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

        (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
        (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

    (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render "professional services", including those listed in (1) above and supervisory, inspection, architectural or engineering activities.

17. "Leased worker" means a person leased to you by a labour leasing firm under an agreement between you and the labour leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

18. "Loading or unloading" means the handling of property:
    a. After it is moved from the place where it is accepted for movement into or onto an

        (1) aircraft or watercraft ;
        (2) "automobile" by means of attached machinery that is designed for and used exclusively for the purpose of loading and unloading of the "automobile" to which it is attached and has no other purpose;
    b. While it is in or on an aircraft, watercraft or "automobile"; or
    c. While it is being removed from an
        (1) aircraft or watercraft;
        (2) "automobile" by means of attached machinery that is designed for and used exclusively for the purpose of loading and unloading of the "automobile" to which it is attached and has no other purpose;

    to the place where it is finally delivered;

    but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "automobile".

19. "Nuclear energy hazard" means the radioactive, toxic, explosive, or other hazardous properties of "radioactive material".

20. "Nuclear facility" means:

    a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
    b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or packaging waste;
    c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
    d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste "radioactive material";

    and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

21. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

22. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

    a. False arrest, detention or imprisonment;
    b. Malicious prosecution;
    c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
    d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
f. The use of another's advertising idea in your "advertisement"; or
g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

23. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

24. "Products-completed operations hazard":
    a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
        (1) Products that are still in your physical possession; or
        (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
            (a) When all of the work called for in your contract has been completed.
            (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
            (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

            Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

    b. Does not include "bodily injury" or "property damage" arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

25. "Professional services" shall include but not be limited to:
    a. Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
    b. Any professional service or treatment conducive to health;
    c. Professional services of a pharmacist;
    d. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
    e. The handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
    f. Any cosmetic, body piercing, tonsorial, massage, physiotherapy, chiropody, hearing aid, optical or optometrical services or treatments;
    g. The preparation or approval of maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications;
    h. Supervisory, inspection, architectural, design or engineering services;
    i. Accountant's, advertiser's, notary's (Quebec), public notary's, paralegal's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, financial institution's, or consultant's professional advices or activities;
    j. Any computer programming or re-programming, consulting, advisory or related services; or
    k. Claim, investigation, adjustment, appraisal, survey or audit services.

26. "Property damage" means:
    a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
    b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

    For the purposes of this insurance, "electronic data" is not tangible property.

27. "Radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by any nuclear liability act, law or statute, or any law amendatory thereof, as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.

28. "Spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".

29. "Temporary worker" means a person who is retained by you under a contract of service to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

30. "Terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

31. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

32. "Your product":
    a. Means:
        (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
            (a) You;
            (b) Others trading under your name; or
            (c) A person or organization whose business or assets you have acquired; and
        (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
    b. Includes
        (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
        (2) The providing of or failure to provide warnings or instructions.
    c. Does not include vending machines or other property rented to or located for the use of others but not sold.

33. "Your work":
   a. Means:
      (1) Work or operations performed by you or on your behalf; and
      (2) Materials, parts or equipment furnished in connection with such work or operations.
   b. Includes
      (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
      (2) The providing of or failure to provide warnings or instructions.

Description 0f Terms Used For Rating Basis In The Liability Rating Schedule

Area - The total number of square metres of floor space at the insured premises, excluding that portion of basements used exclusively for storage or that portion of the premises used for heating or air conditioning plant purposes.

Rates apply per 100 square metres of area.

Basic – A basic charge is in addition to the premium developed from the application of exposure charges and applies per location.

Cost of Work (For work sublet to others) - The total cost of all operations performed for you by independent contractors, including the cost of materials furnished, used or delivered for use in the execution of the work.

Rates apply per $1,000 of cost of work.

Admissions - The total number of persons, other than your employees , admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

Rates apply per 100 admissions.

Payroll - The total earnings for each owner, partner, executive officer and employee.

Rates apply per $1,000 of payroll.

Revenue - The gross amount of money charged for all work or services performed by or on your behalf or for goods and products sold and distributed by you or by others trading under the your name.

Rates apply per $1,000 of revenue.

Each - The unit of exposure is indicated in the Liability Rating Schedule.

Rates apply per unit of exposure.

Units - A single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together or by a person living alone.

Rates apply per unit.

Other – Rates apply per designated article. (i.e. person, object, event)

S.E.F. NO. 99
EXCLUDING LONG TERM LEASED VEHICLE ENDORSEMENT

(for attachment only to a Non-Owned Policy S.P.F. No. 6)

This endorsement is attached to and hereby made a part of the policy, effective as of the date stated hereunder.

EFFECTIVE DATE: .... 12:01 A.M. STANDARD TIME

In consideration of the premium for which this policy is issued, it is understood and agreed that Item 3 (Hired Automobiles Defined) of General Provisions and Definitions of the policy to which this endorsement is attached is hereby amended to read as follows:

The term "Hired Automobiles" as used in this policy means (a) automobiles hired or leased from others with drivers or (b) hired or leased by the named Insured from others without driver for periods not exceeding 30 days, used under the control of the Insured in the business stated in Item 3 of the application but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

Employee Benefits Extension

This extension modifies coverage provided by form CPCGL, but only if indicated onthe Declarations Page for the form.

LIMITS OF INSURANCE

The Limits of Insurance are as stated in the Declarations as **Each claim** and **Aggregate**.

PREMIUM RATES
The rates per employee are as stated in the Declarations as **Rate per employee**.

It is agreed in consideration of the premium and in reliance upon the statements in the application andsubject to the terms of the policy to which this extension is attached as follows:

I. **COVERAGE** - We will pay on behalf of you all sums which you shall become legally obligated to pay as damages on account of any claim made against you by any employee, former employee or the beneficiaries or legal representatives thereof and caused by any negligent act, error or omissionof you, or of any other person for whose acts you are legally liable, arising out of the administration of employee benefits as defined herein.

II. **DEDUCTIBLE** - The deductible amount as stated in the Declarations shall be deducted from the amount of each claim covered under the terms of this extension, and we shall be liable for loss onlyin excess of that amount. We may at our option investigate, negotiate or settle any claim and you agree, if you undertake to negotiate or settle any such claim, to join us in such negotiation or settlement to the extent of the amount to be deducted as herein provided or to reimburse us for such deductible amount, if and when such claim is paid by us.

III. The supplementary payments and provisions of the policy shall apply as respects the coveragehereby afforded.

IV. **POLICY PERIOD AND TERRITORY** - This insurance applies only to claims brought against you during the policy period within Canada or the United States of America, its territories or possessionsresulting from negligent acts, errors or omissions in the administration of employee benefits, provided you, at the effective date of this policy, had no knowledge of or could not have reasonably foreseen any circumstances which might result in such claim.

DEFINITIONS

1. **"INSURED"** – The unqualified word "Insured" wherever used in relation to the insurance affordedhereby, includes not only the Named Insured, but also any partner, executive officer, director, stockholder or employee, provided such employee is authorized to act in the administration of theemployee benefits.

2. **"EMPLOYEE BENEFITS"** – The term "Employee Benefits" shall mean Group Life Insurance, Group Accident and Health Insurance, Pension Plans, or Employee Stock Subscription Plans.

3. **"ADMINISTRATION"** – As respects the insurance afforded hereby, the unqualified word"administration" wherever used shall mean:
   (a) giving counsel to the employees with respect to the Employee Benefits;
   (b) interpreting Employee Benefits;
   (c) handling of records in connection with Employee Benefits;
   (d) effecting enrollment, termination or cancellation of employees under Employee BenefitPrograms;
   performed by a person authorized by the Named Insured to do such acts.

EXCLUSIONS

The Insurance afforded by this extension does not apply;
(a) to any dishonest, fraudulent, criminal or malicious act, libel, slander, discrimination, or humiliation;
(b) to bodily injury to, or sickness, disease, or death of any person, or to injury to or destruction of anytangible property, including the loss of use thereof;
(c) to any claim for failure of performance of contract by any insured;
(d) to any claim based upon the Names Insured's failure to comply with any law concerning workmen'scompensation or unemployment insurance;
(e) to any claim based upon failure of stock to perform as represented by an insured;
(f) to any claim based upon advice given to participate or not participate in stock subscription plans.

CONDITIONS

The conditions of the Commercial General Liability form entitled “Duties in the Event of Occurrence, Claim or Action”, “Legal Action Against Us”, “Other Insurance”, “Transfer of Rights of Recovery AgainstOthers to Us”, “Changes”, and “Transfer of Your Rights and Duties Under this Policy” apply to the Insurance afforded hereby and the following conditions apply;

A. **LIMITS OF LIABILITY** – The limit of liability stated in the Declarations as applicable to **Each claim** is the limit of our liability for all damages incurred on account of any claim covered hereunder; the limit of liability stated above as **Aggregate** is, subject to the above provision respecting each claim,the total limit of liability of all claims covered hereunder and occurring during each annual extensionperiod. The inclusion herein of more than one Insured shall not operate to increase the limits of ourliability.

B. **PREMIUM** – The premium stated in the Declarations is an estimated premium only. Upon termination of each annual period covered by this extension, you, on request, will furnish us a statement of the total number of employees at the end of the period and the earned premium shall be computed at our rates, on the basis of one half of the sum of the total number of employees at the inception of the period and the total number of employees at the end of the period. If the earnedpremium thus computed exceeds the estimated advance premium paid, you shall pay the excess tous. If less, we shall return to you the unearned portion paid by you subject to the minimum premium for this insurance stated above.

C. **NOTICE OF CLAIM OR SUIT** – Irrespective of the application of the deductible amount, written notice of any claim or alleged negligent act, error or omission shall be given by or on behalf of youto us. If suit is brought, you shall immediately forward to us every summons or other process received by you.

All other terms and conditions of this policy remain unchanged.

Forest Fire Fighting Extension

This extension modifies coverage provided by form CPCGL, but only if indicated on the Declarations Page for the form.

It is agreed that **Section I - Coverage A - Bodily Injury and Property Damage Liability**, is extended to include all sums for forest fire fighting expenses which you shall become obligated to pay by reason of liability imposed upon you by law.

It is further understood and agreed that:

(a) Coverage granted herein shall not extend to cover:
- (i) any of your fire fighting expenses or that of your employees or agents, whether such payment is made directly by you or made by any other person, corporation or Government of any Province or the Government of Canada;
- (ii) any fire fighting expenses of contractors or sub-contractors engaged by you at the time loss first occurs;
- (iii) any expenses for which you are liable by reason of failure to comply with Sections 120, 121 and 124 of the ForestAct of British Columbia, regardless of where loss shall occur;
- (iv) any fines or penalties, for which you are liable by reason of failure to comply with any statute, permit, rule orregulation;
- (v) liability assumed by you under any contract or agreement, except your liability that would have existed in theabsence of such contact or agreement;
- (vi) any action brought against any of the Insureds by any other Insured or Insureds under this Policy in respect tothe recovery of fire fighting expenses;
- (vii) any fire fighting expenses of others on your behalf where more specific coverage has been purchased and is available to you.

(b) Each accident shall be subject to the deductible amount, if any, stated in the Declarations for this extension as **Deductible amount**.

(c) Coverage granted herein shall be limited to the amount, if any, stated in the Declarations for this extension as **Limit of liability**.

All other terms and conditions of this policy remain unchanged.

(Insurer)
Berkley Insurance Company
145 King Street West
Suite 1000
Toronto, ON M5H 1J8

DECLARATIONS PAGE

BERKLEY DIRECTORS' AND OFFICERS' AND EMPLOYMENT PRACTICES LIABILITY POLICY

NOT-FOR-PROFIT ORGANIZATIONS

Policy Number: As per issued Gallagher Schedule & Declarations

NOTICE: THIS POLICY IS WRITTEN ON A CLAIMS MADE BASIS AND COVERS CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD (IF APPLICABLE) AND REPORTED PURSUANT TO THE CONDITIONS OF THE POLICY.

Item 1. NAME AND ADDRESS OF INSURED:
(Individual Insured as per issued Gallagher Schedule & Declarations)

Item 2. Policy Period: From 12:01 AM as per issued Gallagher Schedule & Declarations
To 12:01 AM as per issued Gallagher Schedule & Declarations
Local time at the address shown in Item 1

Item 3. Limit of Liability: **Per Claim Limit of Liability for the Policy Period** as per issued Gallagher Schedule & Declarations
Aggregate Limit of Liability for the Policy Period as per issued Gallagher Schedule & Declarations

Item 4. Retention Amount: As per issued Gallagher Schedule & Declarations

Item 5. Annual Premium: As per issued Gallagher Schedule & Declarations

Item 6. Prior and Pending Litigation Date: As per issued Gallagher Schedule & Declarations

Item 7. This Policy is subject to the following Endorsements effective at inception:
Berkley Insurance D&O (Not For Profit) Policy Wording – Form: BC DO 2000-5;
Amended Conduct Exclusion – Final, Non-Appealable Adjudication – Form: BC DO 2219-1;
Pre-Determined Allocation Endorsement - 80%
Property Managers Endrosement
$1,000,000 Side A Excess Limit – Non –Profit – Form: BC DO 2220-1;
Pollution Exclusion Amended
Amended Professional Liability Exclusion – Form: BC DO 2123-1;
Third Party Employment Practices Wrongful Act
Amended Definition of Loss
Amended BI/PD Exclusion
Defence Costs Outside of the Limit
Amended Contract Exclusion – Form: BC DO 2126-1;
Extended Reporting Period Amended
Mass Event Exclusion - Confidentiality Breach Coverage

These Declarations, the completed and signed application and this Policy with Endorsements shall constitute the contract between the INSURED and the Insurer.

In witness whereof, the Insurer has caused this Policy to be signed by its authorized signing officer,

Chief Agent

As per issued Gallagher Schedule & Declarations
Date Issued

This Policy and the Declarations Page contains clauses which may limit the amount payable.

(Insurer)
Berkley Insurance Company
145 King Street West
Suite 1000
Toronto, ON M5H 1J8

NOT-FOR-PROFIT ORGANIZATION DIRECTORS' & OFFICERS' AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

This is a claims made Policy. Please read the entire Policy carefully.

In consideration of the payment of the premium and in reliance on all statements made and information furnished to Berkley Insurance Company (herein, the "Insurer") in the Application Form, which forms part of this **Policy**, and subject to the Declarations and to all other terms of this **Policy**, the Insurer, the **Organization** and the **Insured Persons** agree as follows:

Section I. Insuring Clause

The Insurer shall pay on behalf of the **Insured** all **Loss** for which the **Insured** becomes legally obligated to pay by reason of any **Claim** first made against the **Insured** and reported to the Insurer during the **Policy Period** or any applicable **Extended Reporting Period** for any **Wrongful Acts**, including an **Employment Practices Wrongful Act**.

Section II. Extended Reporting Period

If this **Policy** is cancelled or not renewed by either the **Organization** or the Insurer, for reasons other than non-payment of premium, then the **Organization** shall be entitled to an **Extended Reporting Period** as described below for **Claims** first made against an **Insured** but only with respect to **Wrongful Acts** taking place prior to the effective date of such nonrenewal or termination.

If the **Organization** cancels or chooses not to renew this **Policy** then the **Organization** shall have the right, upon payment of fifty percent (50%) of the annual premium or fifty percent (50%) of the annualized premium if the **Policy Period** is not annual, to an extension of the coverage granted by this Policy for a period of twelve (12) months immediately following the effective date of such nonrenewal or termination.

If the Insurer chooses not to renew this **Policy** then the **Organization** shall have the right to an Automatic Extended Reporting Period of ninety (90) days immediately following the effective date of such nonrenewal or termination at no additional charge. Prior to the end of the Automatic Extended Reporting Period, the **Organization** shall have the right, upon payment of fifty percent (50%) of the annual premium or fifty percent (50%) of the annualized premium if the **Policy Period** is not annual, to an extension of the coverage granted by this Policy for a period of twelve months immediately following the Automatic Extended Reporting Period. This right of extension shall lapse at the end of the Automatic Extended Reporting Period and the **Insured** will not have the right to purchase the **Extended Reporting Period** at any later date.

The fact that this **Policy** may be extended by the **Extended Reporting Period** or by virtue of the Automatic Extended Reporting Period does not in any way increase the Limit of Liability stated in Item 3 of the Declarations.

Section III. Definitions

When used in this **Policy** either in the singular or the plural:

A. **Claim** means:

1. a written demand for monetary damages or non-monetary or injunctive relief,
2. a civil proceeding commenced by the service of a notice of action, statement of claim, writ of summons, complaint or similar proceeding,
3. an arbitration proceeding commenced by a Notice of Request to Arbitrate or similar document,
4. an administrative or regulatory proceeding against an **Insured Person** commenced by the filing of a notice of charges or similar document,
5. a criminal proceeding commenced by the laying of an information, return of an indictment, or similar document,
6. any written notice requiring the attendance of an **Insured Person** at any official investigation, examination, inquiry or disciplinary proceeding ordered or commissioned by any official body, provided that the term **Claim** shall not include any labour or grievance arbitration or other proceeding pursuant to a collective bargaining agreement, including any appeal therefrom.

B. **Defence Costs** means reasonable and necessary fees (including but not limited to lawyers' fees and experts' fees), costs and expenses (including premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond), incurred by the Insurer or by the **Insureds** with the Insurer's consent, resulting solely from the investigation, adjustment, defence and appeal of a **Claim,** excluding regular or overtime wages, salaries or fees of the directors, officers or employees of the **Organization**.

C. **Employment Practices Wrongful Act** means a **Wrongful Act** related to an actual or potential employment relationship with the claimant for:

1. wrongful dismissal, discharge or termination of employment whether actual or constructive;

2. employment discrimination of any kind including violation of any federal, provincial, territorial, state or local law involving employment which would deprive or potentially deprive any person of employment opportunities or otherwise adversely affect his or her status as an employee, because of such person's race, colour, religion, age, sex, national origin, disability, pregnancy, or other protected status;

3. sexual harassment in the workplace; or

4. wrongful deprivation of career opportunity, employment related misrepresentation, retaliatory treatment against an employee of the **Organization**, failure to promote, demotion, wrongful discipline or evaluation, or refusal to hire.

D. **Extended Reporting Period** means the period for the extension of coverage, if exercised, described in Section II.

E. **Financial Impairment** means the appointment of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Organization**.

F. **Insured** means (1) the **Organization**, (2) any **Subsidiary**, and (3) any **Insured Persons**.

G. **Insured Person** means:

1. any past, present or future directors, officers, trustees, employees, volunteers, or staff members of the **Organization** or its **Subsidiaries**, including any executive board members and committee members, whether salaried or not,

2. in the event the **Organization** operates outside of Canada, those functionally equivalent titles, positions or capacities to those described in 1. above in such foreign jurisdiction, and

3. the estate, heirs, lawful spouse, domestic partner or legal representatives or assigns of a deceased, incompetent, insolvent or bankrupt director or officer of the **Organization**, solely in their capacity as such and not for their own actual or alleged **Wrongful Act**.

H. **Interrelated Wrongful Acts** means all **Wrongful Acts** based upon, arising out of, or attributable to the same or related facts, circumstances, situations, events, transactions or causes.

I. **Loss** means damages, judgments, settlements and **Defence Costs** (subject to Section V. A.) which an **Insured** is legally obligated to pay as a result of a **Claim**, including punitive or exemplary damages or the multiple portion of any multiplied damage award if insurable under the applicable law most favourable to the insurability of such punitive, exemplary, or multiplied damages; pre-judgment and post-judgment interest; and legal fees, expenses and costs awarded pursuant to a court order or judgment.

Loss (other than **Defence Costs**) does not include:

1. civil or criminal fines or penalties imposed by law;

2. matters deemed uninsurable under the law pursuant to which this **Policy** shall be construed;

3. any amount not indemnified by the **Organization** for which the **Insured Person** is absolved from payment by reason of any covenant, agreement or court order; or

4. any amount incurred by the **Organization** (including its board of directors or any committee of the board of directors) in connection with the investigation or evaluation of any **Claim** or potential **Claim** by or on behalf of the **Organization**.

J. **Non-Profit Entity** means any non-profit entity incorporated under part II of the Canada Corporations Act, R.S.C., 1970, c. C-32, or under any similar provisions of any provincial or territorial act or any foreign equivalent.

K. **Organization** means the entity designated in Item 1. of the Declarations.

L. **Outside Entity** means (1) any **Non-Profit Entity** other than the **Organization** or (2) any other entity specifically included as an **Outside Entity** by endorsement to this **Policy**.

M. **Outside Position** means the position of director, officer, manager, trustee or other equivalent executive position held by any duly elected or appointed director, officer or trustee of the **Organization** in an **Outside Entity** if service in such position is with the knowledge and consent of, at the direction or request of, or part of the duties regularly assigned to the **Insured Person** by, the **Organization**.

N. **Policy** means, collectively, the Declarations, the Application, this policy form and any endorsements attached hereto.

O. **Policy Period** means the period of time specified in Item 2. of the Declarations, subject to prior termination in accordance with Section V. D. of this **Policy**.

P. **Subsidiary** means any **Non-Profit Entity** in which the **Organization** owns, directly or through one or more **Subsidiaries**, more than fifty percent (50%) of the outstanding securities or voting rights representing the right to vote for the election of, or to appoint such entity's board of directors, board of trustees or any foreign equivalent, or in the event securities are not issued, the ability to control or direct such entity's managerial decisions:

1. on or before the inception of the **Policy**;

2. by reason of being created by the **Organization** during the **Policy Period**;

3. by reason of being acquired by the **Organization** during the **Policy Period** (other than as described in subparagraph P. 2. above), if the **Organization**, within 90 days of such acquisition, provides the Insurer with written notice thereof and agrees to any additional premium and/or agrees to any amendment of the provisions of this **Policy** required by the Insurer.

In all events, coverage as is afforded with respect to a **Claim** made against a **Subsidiary** or any **Insured Person** thereof shall only apply for **Wrongful Acts** committed or allegedly committed after the effective date that such **Subsidiary** became a **Subsidiary** and prior to the date that such **Subsidiary** ceased to be a **Subsidiary**.

Q. **Wrongful Act** means:

1. any actual or alleged error, misstatement, misleading statement, act, omission, neglect or breach of duty or **Employment Practices Wrongful Act** committed by any **Insured Persons** in their capacity with the **Organization**, or

2. any matter claimed against any **Insured Person** solely by reason of their serving in such capacity with the **Organization** or in an **Outside Position**, or

3. any actual or alleged error, misstatement, misleading statement, act, omission, neglect or breach of duty by the **Organization**.

Section IV. Exclusions

The Insurer shall not be liable for **Loss** on account of any **Claim** made against any **Insured**:

1. Prior and Pending Litigation or Other Insurance:

   a. based upon, arising out of, or attributable to any litigation or proceeding, including but not limited to civil, administrative, regulatory, criminal, or disciplinary proceedings or any investigation, examination, or inquiry, commenced prior to, or which was pending as of, the Prior or Pending Litigation Date as stated in Item 6 of the Declarations;

   b. based upon, arising out of, or attributable to any fact, circumstance or situation which has been the subject of notice given under any Policy of which this **Policy** is a direct or indirect renewal or replacement;

   c. which is insured in whole or in part by another valid Policy, except with respect to any excess beyond the amount or amounts of coverage under such other Policy**,** whether such other Policy is stated to be primary, contributory, excess, contingent or otherwise, unless such other Policy is written only as specific excess insurance over the Limit of Liability provided by this **Policy**;

2. Bodily Injury or Property Damage, Pollution:

   a. for bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or for damage to or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply with respect to any actual or alleged mental anguish or emotional distress in any **Claim** for a **Employment Practices Wrongful Act**;

   b. where all or any part of such **Claim** is based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of or in any way involving actual or alleged seepage, pollution, radiation, emission or contamination of any kind; but this exclusion shall not apply to **Insured Persons.**

3. Conduct:

based upon, arising out of, or attributable to:

a. the gaining by an **Insured Person** of any profit, remuneration or advantage to which a judgment or other final adjudication in such **Claim** establishes such **Insured Person** was not legally entitled;

b. the **Insured Person** committing any deliberate criminal or deliberate fraudulent or dishonest act, if a judgment or other final adjudication in such **Claim** adverse to the **Insured Person** establishes that such deliberate criminal or deliberate fraudulent or dishonest act was committed.

4. **Claims** by the **Organization** or an **Insured Person**:

brought or maintained by or on behalf of the **Organization** or any **Insured Person** in any capacity, provided that this Exclusion shall not apply to any **Claim**:

a. that is a derivative action brought or maintained on behalf of the **Organization** by one or more persons who are not **Insured Persons** and who bring and maintain the **Claim** without the active assistance or participation of, or solicitation by, the **Organization** or any **Insured Person**, other than assistance or participation by **Insureds** that is protected pursuant to any federal, provincial, territorial, or state whistleblower statute;

b. for any **Employment Practices Wrongful Act**;

c. brought or maintained by any **Insured Person** for contribution or indemnity, if the **Claim** directly results from another **Claim** covered under this **Policy**;

d. brought by an **Insured Person** who has not served as an **Insured Person** for at least three (3) years prior to the date such **Claim** is first made and who brings and maintains such **Claim** without the active assistance or participation of, or solicitation by, the **Organization** or any other **Insured Person** who is serving or has served as an **Insured Person** within such three (3) year period;

e. in the event of **Financial Impairment**, brought or maintained by or on behalf of a bankruptcy or insolvency trustee, examiner, receiver or creditors' committee for the **Organization** or any assignee of such trustee, examiner, receiver or creditors' committee; or

f. with respect to **Defence Costs** for any such **Claim**;

5. **Outside Entity** or Other Entity

a. based upon, arising out of, or attributable to any act or omission of the **Insured Person** serving in the capacity as a director, officer, governor, advisory board member, committee member, general partner, partnership manager or trustee of any entity other than the **Organization** or an **Outside Entity**, or by reason of their status as director, officer, governor, advisory board member, committee member, general partner, partnership manager or trustee of such other entity.

b. for any **Wrongful Act** arising out of the **Insured Person**'s serving as a director, officer, governor, advisory board member, committee member, general partner, partnership manager or trustee of an **Outside Entity**, 1) if such **Claim** is brought by the **Outside Entity** or any of its directors or officers (except where local securities law affords 'whistleblower' protection to such **Insured Person**), or by any security holder or shareholder of the **Outside Entity**, whether directly or derivatively, unless such security holder's or shareholder's **Claim** is instigated and continued totally independent of the **Outside Entity**, any of its directors or officers, or any **Insured**, or 2) to the extent such **Insured Person** is indemnified for such **Loss** by such **Outside Entity**.

6. Pension, Employee Benefit, or Welfare Plans

for an actual or alleged violation of the responsibilities, obligations or duties of any **Insureds** in connection with any pension, employee benefit, or welfare plans of the **Organization**.

7. Reasonable Notice

for an **Employment Practices Wrongful Act** based upon failure to afford an employee with reasonable notice of termination, except for that portion of **Loss** which constitutes **Defence Costs**.

8. Contract

for any actual or alleged liability of any **Insured** under any contract or agreement, express or implied, written or oral, except to the extent that the **Insured** would have been liable in the absence of such contract or agreement;

Severability of Exclusions:

For the purpose of determining the applicability of any Exclusion set forth in this **Policy** the **Wrongful Act** of any **Insured Person** shall not be imputed to any other **Insured Person.**

Section V. General Terms and Conditions

A. Limit of Liability and Retention

The Limit of Liability set forth in Item 3. of the Declarations shall be the maximum aggregate liability of the **Insurer** under this **Policy** for all covered **Loss** resulting from all covered **Claims**, regardless of the number of **Claims** or the time of payment by the **Insurer**.

If the **Insurer** selects and retains counsel to defend a **Claim**, the **Defence Costs** incurred shall be in addition to the Limit of Liability set forth in Item 3. of the Declarations and shall not be considered **Loss.** In this case, **Defence Costs** shall not be subject to a Retention amount.

If, with the consent of the **Insurer**, the **Insured** selects and retains counsel to defend a **Claim**, the **Defence Costs** incurred shall be included within the Limit of Liability and shall be considered **Loss**. In this case, **Defence Costs** shall be subject to a Retention amount.

If the Limit of Liability is exhausted by payment of **Loss**, the Insurer's duty to defend shall cease and the Insurer's obligations under this **Policy** shall be completely fulfilled and extinguished.

For the purposes of this **Policy**, all **Claims** which in whole or in part arise out of the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed one **Claim**, and such **Claim** shall be deemed to be first made on the date the earliest of such **Claims** is first made, regardless of whether such date is before or during the **Policy Period**. All **Loss** resulting from a single **Claim** shall be deemed a single **Loss**.

The Limit of Liability for the **Extended Reporting Period**, if exercised, shall be part of and not in addition to the Limit of Liability for the **Policy Period**. The purchase of the **Extended Reporting Period** shall not increase or reinstate the aggregate Limit of Liability, which shall be the maximum liability of the Insurer for the **Policy Period** and **Extended Reporting Period** combined.

B. Defence and Settlement

The Insurer has the right and duty to defend any **Claim** to which this insurance applies, even if the allegations of the **Claim** are groundless, false or fraudulent. The **Insureds** agree not to settle or offer to settle any **Claim**, select defence counsel, incur any **Defence Costs** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the Insurer's prior written consent. Such consent shall not be unreasonably withheld. The **Insured** shall provide the Insurer with full cooperation and all information which would reasonably be required in order to allow the Insurer to reach a decision as to such consent. Any **Defence Costs** incurred and/or settlements agreed to prior to the Insurer's consent shall not be covered under this **Policy.**

The Insurer has the right to investigate and settle any **Claim** as it deems expedient. In the event the Insurer recommends a settlement and the **Insured** refuses to consent, the Insurer's liability for such a **Claim** is limited to the amount in excess of the Retention which the Insurer would have contributed to the settlement had the **Insured** consented to settlement, **Defence Costs** covered under this **Policy** and incurred prior to the date of such refusal to settle, and seventy percent (70%) of any additional covered **Loss**, including **Defence Costs**, incurred subsequent to such refusal and subject to the Limit of Liability.

However, in the event the **Insured** refuses to consent to a settlement as contemplated above, then **Defence Costs** incurred by the **Insured** with the Insurer's consent, shall be considered **Loss** and thus subject to the Limit of Liability and retention amount.

The **Insured** shall cooperate with the Insurer and, upon the Insurer's request, assist in making settlements, in the defence of **Claims**, in enforcing rights of contribution and indemnity against any person or entity which may be liable to the **Insured**, in attending hearings and trials, and in securing and giving evidence and obtaining the attendance of witnesses

C. Notice

The **Insureds** shall, as a condition precedent to their rights under this **Policy**, give to the Insurer written notice of any **Claim** made against the **Insureds** as soon as practicable after any **Executive Officer** or the **Organization**'s risk manager first learns of such **Claim**, but in no event later than (1) ninety (90) days after expiration of the **Policy Period**, if the **Extended Reporting Period** is not exercised, or (2) expiration of the **Extended Reporting Period**, if exercised.

If during the **Policy Period** or the **Extended Reporting Period**, if exercised, the **Insureds** first become aware of any circumstances which may reasonably give rise to a future **Claim** under this **Policy,** and during such **Policy Period** give written notice to the Insurer of the circumstances, the anticipated **Wrongful Act** allegations, the reasons for anticipating such **Claim**, and full particulars as to dates, persons and entities involved, then any **Claim** which arises out of such circumstances shall be deemed to have been first made during the **Policy Period** in which such written notice was received by the Insurer. No coverage is provided for fees and expenses incurred prior to the time such **Claim** is made.

All notices under this provision of this **Policy** shall be in writing and given to:

Claims Department
Berkley Canada
145 King Street West
Suite 1000
Toronto, Ontario M5H 1J8
Fax: (416) 304-4108
Email: claims@berkleycanada.com

All other notices to the Insurer shall be given to:

Executive Liability Department
Berkley Canada
145 King Street West
Suite 1000
Toronto, Ontario M5H 1J8
Fax: (416) 304-4108

D. Termination of Policy

This **Policy** shall terminate at the earliest of the following times:

1. the effective date of termination specified in a prior written notice by the **Organization** to the Insurer, provided that this **Policy** may not be terminated by the **Organization** after the effective date of a Change in Control of the **Organization** in accordance with Policy Subsection V. (G);

2. upon expiration of the **Policy Period** as set forth in Item 2. of the Declarations;

3. twenty (20) days after receipt by the **Organization** of a written notice of termination from the Insurer for failure to pay a premium when due, unless the premium is paid within such twenty (20) days; or

4. at such other time as may be agreed upon by the Insurer and the **Organization**.

The Insurer may only terminate this **Policy** for non-payment of premium as set forth in subparagraph 3. above and may not terminate it for any other reason.

The Insurer shall refund the unearned premium computed at customary short rates if this **Policy** is terminated by the **Organization**. Under any other circumstances the refund shall be computed *pro rata*. Payment or tender of any unearned premium by the Insurer shall not be a condition precedent to the effectiveness of such termination, but such payment shall be made as soon as practicable.

If the Insurer decides to nonrenew this **Policy**, the Insurer will mail to the **Organization** written notice stating such intent at least sixty (60) days before the expiration date set forth in Item 2. of the Declarations.

E. Representations and Reliance

The **Insureds** acknowledge and agree that the statements, representations and information contained in the **Application** are true and are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy**. This **Policy** is issued in reliance upon the truth of such statements, representations and information.

F. Severability of Application

In the event any of the statements, representations or information contained in the **Application** are not true and accurate, then there shall be no coverage under this **Policy** for any **Claims** made:

1. for **Loss** incurred by an **Insured Person** who had knowledge of the facts that were either omitted from or misrepresented in the **Application**, whether or not the **Insured Person** knew the **Application** contained such misrepresentation or omission; and

2. for **Loss** incurred by the **Organization** if any **Insured Person** of the **Organization** had knowledge of the facts that were either omitted from or misrepresented in the **Application**, whether or not such **Insured Person** knew the **Application** contained such misrepresentation or omission.

this **Policy** shall not be rescinded by the Insurer in whole or in part for any reason except for non-payment of premiums.
For purposes of this Section, knowledge possessed by any **Insured Person** shall not be imputed to any other **Insured Person**, and only knowledge possessed by an **Insured Person** shall be imputed to the **Organization.**

G. Change in Control

If, during the **Policy Period**, a transaction occurs whereby another entity gains control of the **Organization** through the ownership of more than fifty percent (50%) of the voting securities of the **Organization**; or the **Organization** merges or amalgamates into another entity such that the **Organization** is not the surviving entity, then coverage under this **Policy** will continue until termination of this **Policy**, but only with respect to **Claims** for **Wrongful Acts** taking place prior to such transaction.

The **Organization** must give written notice of such transaction to the Insurer as soon as practicable, but in no event later than ninety (90) days after the effective date of such transaction. The entire premium for this **Policy** shall be deemed earned as of the date of such transaction.

If such a transaction occurs, the **Organization** shall have the right, upon payment of the additional premium described below, to an extension of the coverage provided by this **Policy** for either a 1 year, 3 year, or 6 year Run-Off Period following the termination of the **Policy Period**; but the Insurer may, in its sole discretion and subject to any additional terms, conditions and premiums required by the Insurer, agree by written endorsement to this **Policy** to any other Run-Off Period requested by the **Insureds**. This right of extension shall lapse unless written notice of such election, together with payment of the additional premium due, is given by the **Insureds** to the Insurer within thirty (30) days following the effective date of such transaction. Upon request from any **Insured** following notice to the Insurer of such transaction, the Insurer shall notify such **Insured** of the additional premium amount for this extension of coverage. The Insureds shall not be entitled to elect this extension of coverage if an **Extended Reporting Period** is elected pursuant to Section II. of this Policy.

H. Territory and Valuation

Coverage provided under this **Policy** shall apply to **Wrongful Acts** taking place or **Claims** made anywhere in the world.

All premiums, limits, Retentions, **Loss** and other amounts under this **Policy** are expressed and payable in the currency of Canada. If any element of **Loss** under this **Policy** is stated in a currency other than Canadian dollars, payment under this **Policy** shall be made in Canadian dollars at the Bank of Canada's rate of exchange on the date the element of **Loss** is due and payable.

I. Subrogation

In the event of any payment under this **Policy**, the Insurer shall be subrogated to the extent of such payment to all the **Insureds**' rights of recovery, including without limitation the **Insured Persons**' rights to indemnification or advancement from the **Organization**. The **Insureds** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Insurer effectively to bring suit or otherwise pursue subrogation rights in the name of the **Insureds**. In no event shall the Insurer subrogate against an **Insured Person** unless and to the extent Exclusion 3 a. and/or 3 b. in Section IV. of this **Policy** applies to such **Insured Person**.

J. Action Against the Insurer

No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this **Policy**. No person or organization shall have any right under this **Policy** to join the Insurer as a party to any action against **Insureds** to determine the **Insured**'s liability nor shall the Insurer be impleaded by the **Insureds** or their legal representatives.

No suit or action by the **Insured**, or by any person claiming through or on behalf of the **Insured**, shall lie against the **Insurer**, unless such suit or action is brought in a court of competent jurisdiction within Canada.

K. Authorization Clause

By acceptance of this **Policy**, the **Organization** agrees to act on behalf of the **Insureds** with respect to the payment of premiums and the receiving of any return premiums that may become due under this **Policy**, the agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this **Policy** (other than notice of the exercise of the **Extended Reporting Period** provided for in Section II of the **Policy**), and the **Insureds** agree that the **Organization** shall so act on their behalf.

L. Non-Assignment Clause

This **Policy** shall not be assigned or transferred, and any attempted assignment or transfer shall be void and without effect unless the **Insurer** has provided its prior written consent to such assignment or transfer.

M. Entire Assignment Clause

The Declarations, the Application and any materials submitted therewith, the Policy and any Endorsements attached thereto, constitute the entire agreement between the Insurer and the Insured.

In witness whereof, the Insurer has caused this Policy to be executed on the Declarations page.

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

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 1

Amended Conduct Exclusion- Final, Non-Appealable Adjudication

It is hereby understood and agreed that Section IV. 3. a. is deleted in its entirety and replaced with the following:

3. a. the gaining by an **Insured Person** of any profit, remuneration or advantage to which a final, non-appealable adjudication in such **Claim** establishes such **Insured Person** was not legally entitled;

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 2

Pre-Determined Allocation Endorsement – 80%

It is hereby understood and agreed that;

In the event of a **Claim** against an **Insured** which is not wholly covered by this **Policy** because such **Claim** includes both covered and uncovered matters, the Insurer and the **Insured** shall use their best efforts to determine a reasonable allocation of **Loss** that is covered under this **Policy**, which shall be 100% for **Defence Costs** and a minimum of 80% for other **Loss**.

All other terms and conditions of the **Policy** remain the same.

**This endorsement changes the policy.
Please read it carefully.**

Endorsement No. 3

Property Managers Endorsement

In consideration of the premium charged, it is hereby understood and agreed that the **Policy** is amended as follows:

Section III. Definitions F. **Insured** shall also mean:

(4) any **Property Management Firm** solely while providing professional services to the **Organization** and acting with the authority, or at the direction, of the **Organization**.

Solely for the purposes of this endorsement, **Property Management Firm** means any entity providing real estate property management services to the **Organization** pursuant to written contract.

Coverage for the **Property Management Firm** and its **Insured Persons** shall not apply to Claims involving any **Outside Position** or **Employment Practices Wrongful Act**.

All other terms and conditions of the **Policy** remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 4

$1,000,000 Side A Excess Limit- Non-Profit

It is understood and agreed that Section V. of the **Policy** is hereby amended by the addition of the following Section:

Section V. N. Additional Limit of Liability Dedicated for Directors and Officers

Notwithstanding anything in this **Policy** to the contrary, the Additional Limit of Liability Dedicated for Directors and Officers will be an additional Limit of Liability in an amount not to exceed $1,000,000, which amount is in addition to and not part of the Limit of Liability set forth in Item 3 of the Declarations.

This Additional Limit of Liability Dedicated for Directors and Officers is available solely for **Loss** resulting from any **Claim** against any Director and/or Officer which is a **Non-Indemnified Loss**, and:

1. Any **Loss** resulting from any **Claim** against any Director and/or Officer which is a **Non-Indemnified Loss** shall first be paid under the Limit of Liability as set forth in Item 3 of the Declarations, and such Limit of Liability must be completely exhausted by payment of **Loss** under Section I. Insuring Clause of this **Policy** before **Loss** shall be paid under the Additional Limit of Liability Dedicated for Directors and Officers, and

2. The Additional Limit of Liability Dedicated for Directors and Officers shall be excess of any insurance available that is specifically excess of this **Policy** and such excess insurance must be completely exhausted by payment of **Loss** there under before the Insurer shall have any obligation to make any payment on account of the Additional Limit of Liability Dedicated for Directors and Officers.

For the purposes of this endorsement:

Non-Indemnified Loss shall mean Loss for which the Organization fails or refuses to indemnify an Insured:

(I) because of **Financial Impairment**; or
(II) because it is not permitted to indemnify pursuant to law or contract or the by-laws, charter, operating agreement or similar documents of the **Organization**.

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 5

Pollution Exclusion Amended

It is hereby understood and agreed that Section IV. Exclusions; 2.b. Is deleted and replaced with the following

b. where all or any part of such **Claim** is based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of or in any way involving actual or alleged seepage, **pollution**, radiation, emission or contamination of any kind; but this exclusion shall not apply to **Insured Persons.**

Section III. Definitions is amended by adding the following;

R. **Pollution** means the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any **Pollutant** whether in a solid, liquid, gas, odour, vibration, electromagnetic radiation, ionizing radiation, thermal or other form at any time.

S. **Pollutant** means any contaminant, irritant or other matter or substance including but not limited to oil, smoke, vapour, soot, asbestos, asbestos-containing materials, fumes, acids, alkalis, nuclear or radioactive material, chemicals and waste or any other substance defined or identified on a list of hazardous substances issued by or pursuant to the Canadian Environmental Protection Act, the United States Environmental Protection Agency, the United States Atomic Energy Act of 1954 or any federal, provincial, state, county, municipal or local counterpart thereof. Waste includes materials to be recycled, reconditioned or reclaimed.

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 6

Amended Professional Liability Exclusion

It is understood and agreed that Section IV. of the **Policy** is hereby amended by the addition of the following:

Section IV.

9. based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving the rendering or failure to render any kind of professional service for others, either gratuitously or for a fee.

All other terms and conditions of the **Policy** remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 7

Third Party Employment Practices Wrongful Act

It is hereby understood and agreed that Section III. Definitions. C. **Employment Practices Wrongful Act** is deleted and replaced with the following;

Employment Practices Wrongful Act means any **Third Party Wrongful Act** or any **Wrongful Act** related to an actual or potential employment relationship with the claimant for:

1. wrongful dismissal, discharge or termination of employment whether actual or constructive;
2. employment discrimination of any kind including violation of any federal, provincial, territorial, state or local law involving employment which would deprive or potentially deprive any person of employment opportunities or otherwise adversely affect his or her status as an employee, because of such person's race, colour, religion, age, sex, national origin, disability, pregnancy, or other protected status;
3. sexual harassment in the workplace; or
4. wrongful deprivation of career opportunity, employment related misrepresentation, retaliatory treatment against an employee of the **Organization**, failure to promote, demotion, wrongful discipline or evaluation, or refusal to hire.

Solely for the purposed of this endorsement;

Third Party Wrongful Act means any actual or alleged:

(i) discrimination against a **Third Party**, including but not limited to any such discrimination on account of race, colour, religion, age, disability or national origin; and
(ii) harassment, including but not limited to, unwelcome sexual or gender harassment, committed or attempted by any **Organization** or by any **Insured Person** while acting in his capacity as such.

Third Party means any natural person who is a customer, vendor, service provider, client, or other business invitee of an **Organization**.

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 8

Amended Definition Of Loss

It is hereby understood and agreed that Section III. Definitions. I. **Loss** is deleted and replaced with the following;

I. **Loss** means damages, judgments, settlements and **Defence Costs** (subject to Section V. A.) which an **Insured** is legally obligated to pay as a result of a **Claim**, including aggravated, punitive or exemplary damages or the multiple portion of any multiplied damage award if insurable under the applicable law most favourable to the insurability of such punitive, exemplary, or multiplied damages; prejudgment and post-judgment interest; and legal fees, expenses and costs awarded pursuant to a court order or judgment.

Loss (with exception of loss resulting from or in consequence of an **Employment Practices Wrongful Act**) shall also include civil fines and civil penalties including but not limited to civil fines and penalties assessed against an **Insured Person** under Sections 4(2) and 5.5(2) of the Corruption of Foreign Public Officials Act of Canada, Section 2(g)(2)(b) of the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd-2(g)(2)(b), Section 308 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246(a)) and the United Kingdom's Bribery Act 2010 (2010 chapter 23).

Loss shall also mean, solely with respect to **Loss** for which an **Organization** has neither indemnified nor is permitted or required to indemnify an **Insured Person**, any unpaid statutory liabilities of the Company arising under the Canadian federal, provincial, territorial, municipal or local laws which an **Insured Person** becomes legally obligated to pay by virtue of their status as an **Insured Person**, including but not limited to the failure to deduct, withhold or remit taxes, employment insurance contributions or pension plan contributions; or the failure to pay salary, wages, and related amounts such as vacation or holiday pay payable by an **Organization** to an employee for services performed; including penalties and interest thereon, that no **Organization** has indemnified, pursuant to Section 227.1 of the Canadian Income Tax Act, Section 323 of the Canadian Excise Tax Act, Section 43 of the Ontario Retail Sales Tax Act, or any Canadian provincial, territorial or local statute law imposing comparable liability upon an Insured Person;

Loss (other than **Defence Costs**) does not include:

1. criminal fines or penalties imposed by law;
2. matters deemed uninsurable under the law pursuant to which this **Policy** shall be construed;
3. any amount not indemnified by the **Organization** for which the **Insured Person** is absolved from payment by reason of any covenant, agreement or court order; or
4. any amount incurred by the **Organization** (including its board of directors or any committee of the board of directors) in connection with the investigation or evaluation of any **Claim** or potential **Claim** by or on behalf of the **Organization**.
5. taxes or sums payable in relation to taxes, except as provided above;

All other terms and conditions remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 9

Amended BI/PD Exclusion

It is hereby understood and agreed that Section IV. Exclusions 2. Bodily Injury of Property Damage, Pollution; a. of the **Policy** is hereby deleted and replaced with the following:

a. for bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or for damage to or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply to **Defence Costs**, and with respect to any actual or alleged mental anguish or emotional distress in any **Claim** for an **Employment Practices Wrongful Act**;

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 10

Defence Costs Outside Of The Limit

In is hereby understood and agreed that Section V. General Terms and Conditions, A. Limit of Liability and Retention is deleted in its entirety and replaced with the following;

The Limit of Liability set forth in Item 3. of the Declarations shall be the maximum aggregate liability of the **Insurer** under this **Policy** for all covered **Loss,** except **Defence Costs,** resulting from all covered **Claims**, regardless of the number of **Claims** or the time of payment by the **Insurer**.

The **Defence Costs** incurred shall be in addition to the Limit of Liability set forth in Item 3. of the Declarations and shall not be considered **Loss.** In this case, **Defence Costs** shall not be subject to a Retention amount, provided, however, that when such applicable Limits of Liability are exhausted by payment of **Loss** other than **Defence Costs**, any obligation of the Insurer to pay **Defence Costs** shall cease.

If the Limit of Liability is exhausted by payment of **Loss**, the Insurer's duty to defend shall cease and the Insurer's obligations under this **Policy** shall be completely fulfilled and extinguished.

For the purposes of this **Policy**, all **Claims** which in whole or in part arise out of the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed one **Claim**, and such **Claim** shall be deemed to be first made on the date the earliest of such **Claims** is first made, regardless of whether such date is before or during the **Policy Period**. All **Loss** resulting from a single **Claim** shall be deemed a single **Loss**.

The Limit of Liability for the **Extended Reporting Period**, if exercised, shall be part of and not in addition to the Limit of Liability for the **Policy Period**. The purchase of the **Extended Reporting Period** shall not increase or reinstate the aggregate Limit of Liability, which shall be the maximum liability of the Insurer for the **Policy Period** and **Extended Reporting Period** combined.

Any sub-limit specified in this **Policy** shall be the Insurer's maximum liability for all **Loss** covered under such Sub-limit of Liability. Any Sub-limit of Liability shall be part of, and not in addition to, the applicable Limit of Liability shown in Item 3 of the Declarations.

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 11

Amended Contract Exclusion

It is understood and agreed that Section IV. Exclusions 8. of the **Policy** is hereby deleted and replaced with the following:

8. Contract

   for any actual or alleged liability of any **Insured** under any contract or agreement, express or implied, written or oral, except to the extent that the **Insured** would have been liable in the absence of such contract or agreement; however this exclusion shall not apply to **Defence Costs**.

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 12

Extended Reporting Period Amended (6 Year Option)

It is hereby understood and agreed that Section II. Extended Reporting Period, is hereby deleted in its entirety and replaced with the following;

If this **Policy** is cancelled or not renewed by either the **Organization** or the Insurer, for reasons other than non-payment of premium, then the **Organization** shall be entitled to an **Extended Reporting Period** as described below for **Claims** first made against an **Insured** but only with respect to **Wrongful Acts** taking place prior to the effective date of such nonrenewal or termination.

If the **Organization** cancels or chooses not to renew this **Policy** then the **Organization** shall have the right, upon payment of either;

a. fifty percent (50%) of the annual premium or fifty percent (50%) of the annualized premium if the **Policy Period** is not annual, to an extension of the coverage granted by this Policy for a period of twelve (12) months immediately following the effective date of such nonrenewal or termination.
b. one hundred and twenty five percent (125%) of the annual premium or One hundred and twenty five percent (125%) of the annualized premium if the **Policy Period** is not annual, to an extension of the coverage granted by this Policy for a period of seventy-two (72) months immediately following the effective date of such nonrenewal or termination.

If the Insurer chooses not to renew this **Policy** then the **Organization** shall have the right to an Automatic Extended Reporting Period of ninety (90) days immediately following the effective date of such nonrenewal or termination at no additional charge. Prior to the end of the Automatic Extended Reporting Period, the **Organization** shall have the right, upon payment of either;

a. fifty percent (50%) of the annual premium or fifty percent (50%) of the annualized premium if the **Policy Period** is not annual, to an extension of the coverage granted by this Policy for a period of twelve (12) months immediately following the effective date of such nonrenewal or termination.
b. one hundred and twenty five percent (125%) of the annual premium or One hundred and twenty five percent (125%) of the annualized premium if the **Policy Period** is not annual, to an extension of the coverage granted by this Policy for a period of seventy-two (72) months immediately following the effective date of such nonrenewal or termination.

This right of extension shall lapse at the end of the Automatic Extended Reporting Period and the **Insured** will not have the right to purchase the **Extended Reporting Period** at any later date.

The fact that this **Policy** may be extended by the **Extended Reporting Period** or by virtue of the Automatic Extended Reporting Period does not in any way increase the Limit of Liability stated in Item 3 of the Declarations.

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy.
Please read it carefully.

Endorsement No. 13

Mass Event Exclusion- Confidentiality Breach Coverage

Confidentiality Breach Event:
Sub-limit of Liability each event: $50,000

Confidentiality Breach Event

The Insurer will pay the **Organization** up to the sub-limit specified, for any **Confidentiality Breach Expenses** paid by the **Organization** in connection with a **Confidentiality Breach** that first occurs during the **Policy Period** (or **Extended Reporting Period**, if applicable), regardless of whether or not a **Claim** is made against the Organization as a result of such **Confidentiality Breach**.

The Insurer will have no liability whatsoever for fines, penalties, assessments of costs or other financial awards associated with any such **Confidentiality Breach**, unless such fines, penalties, assessments of costs or other financial awards are otherwise covered by this **Policy**.

Confidentiality Breach means any failure by the **Organization** to maintain the confidentiality of non-public, medical or financial personally identifiable information which is in the care, custody and control of the **Organization**.

Confidentiality Breach Expenses means reasonable fees and costs incurred with the Insurer's prior written consent (which shall not be unreasonably withheld or delayed):

(i) of lawyers, experts and consultants, including third-party media consultants, incurred in the management or investigation of an actual or potential **Confidentiality Breach**;
(ii) in connection with notification of a **Confidentiality Breach** to appropriate regulatory authorities and/or to those individuals whose information has been accessed, disclosed or used;
(iii) for providing credit monitoring services to those individuals whose information has been accessed, disclosed or used in connection with a **Confidentiality Breach**; and
(iv) in the management of public relations with respect to a **Confidentiality Breach**,

provided, that **Confidentiality Breach Expenses** do not include:

(a) any remuneration, salaries, overhead, fees, loss of earning reimbursement or benefit expenses of any **Insured Person**; or
(b) any fees, costs, charges or expenses incurred in defending any Claim resulting from a **Confidentiality Breach**.

With respect to the **Confidentiality Breach** coverage outlined above, coverage does not apply to any **Confidentiality Breach Expenses** based upon, arising out of or in any way related to any M**ass event.**

Mass event means the original and variant of a **malicious code**, exploit, or vulnerability that is both:

a) the subject of an alert by, or is identified by a name or designation that is assigned by, any (i) United States or Canadian (federal, provincial or state) government entity or agency or (ii) computer security, forensics, threat intelligence, or anti-virus entity, service provider or vendor (including but not limited to CrowdStrike, Juniper Networks, Mandiant/FireEye, Norton, Malwarebytes, McAfee, Kaspersky, Digital Shadows, RiskIQ, Recorded Future, Flashpoint, Anomali, Mimecast, Proofpoint, Palo Alto Networks, RSA, Seculert/Radware, Symantec, or Verizon); and
b) publicized (meaning reported on in two or more news or technology media or publications, including but not limited to The New York Times, Washington Post, Los Angeles Times, Financial Times, The Globe and Mail, National Post, Toronto Star, Montreal Gazette, FOX Corporation, CNN, The Wall Street Journal, NBC News, ABC News, CBS News, CBC News, CTV News, Global National News, VICE Motherboard, Data Breach Today, Krebs on Security, Dark Reading, ZD NET, Wired, PC World, The Register, or CSO Online).

Malicious Code means an unauthorized or harmful program, code, or script, including but not limited to any virus, Trojan horse, worm, time, logic bomb, spyware, ransomware, or malware.

All other terms and conditions of the Policy remain unchanged.

Law and Jurisdiction

This Insurance shall be governed by the laws of Canada and subject to the exclusive jurisdiction of the courts of Canada.

SERVICE OF SUIT CLAUSE (CANADA)
(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2.

LMA5028A

01/10/2020

Fraudulent Claim Clause

If the (re)insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this contract shall become void and all claim hereunder shall be forfeited.

LMA5062

4 September 2006

SEVERAL LIABILITY CLAUSE

PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

07/03/08
LMA5096 (Combined Certificate)

Canada Subscription Policy
Lloyd's endorsement (only to be used in conjunction with LSW 1554 or an alternative subscription policy document containing the attributes of LSW 1554)

PLEASE NOTE – This notice contains important information – PLEASE READ CAREFULLY

Whereas the Subscription Policy ("the Policy") has been entered into by the Coverholder in accordance with the authorization granted to the Coverholder by the underwriting members ("the members") of the Lloyd's syndicates as shown in the List of Subscribing Companies (and where the List of Subscribing Companies also notes the identity of the Coverholder);

Whereas the liability of each insurer under the Policy is several and not joint with other insurers party to the Policy;

The following additional provisions shall apply in respect of the participation of the members to the Policy. The following provisions are in addition to and not in substitution for the provisions, terms and condition as set out in the Policy (including any amendment or endorsement thereto).

Several liability

1. The proportion of liability under the Policy underwritten by the members of a Lloyd's syndicate (being the total of the proportions underwritten by all the members of the syndicate taken together) is as provided for in the binding authority agreement number shown in the List of Subscribing Companies, or which may be obtained on application to the Coverholder whose name is also noted in the List of Subscribing Companies.

2. In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total being the total of the proportions of the total shown for the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members or other insurers. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite the Policy. The business address of each member is Lloyd's, One Lime Street, EC3M 7HA, United Kingdom. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained in writing to Market Services, Lloyd's at the above address.

3. Although reference is made at various points in this endorsement to "the Policy" in the singular, where the circumstances so require this should be read as a reference to Policies in the plural.

Action Against Insurer

4. In any action to enforce the obligations of the members they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the members as if they had been individually named as defendant. Service of such proceedings may be validly made upon the attorney-in-fact in Canada for Lloyd's Underwriters, whose address for service is Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2.

Notice

5. Any notice to the members may be validly given to the Coverholder whose signature and name appear in the List of Subscribing Companies.

LMA5190A
01 October 2020

COMMUNICABLE DISEASE ENDORSEMENT

(For use on property policies)

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

   2.1. for a Communicable Disease, or

   2.2. any property insured hereunder that is affected by such Communicable Disease.

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

   3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

   3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

   3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.

LMA5393

25 March 2020

COMMUNICABLE DISEASE EXCLUSION

1. Notwithstanding any provision to the contrary within this policy, this policy excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
   - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
   - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
   - 2.3. the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

LMA5396

March 2020

PROPERTY CYBER AND DATA EXCLUSION

1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:

1.1 Cyber Loss;

1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2 In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

3 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

Definitions

4 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

5 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

6 Cyber Incident means:

6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or

6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

7 Computer System means:

7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,

owned or operated by the Insured or any other party.

8 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

LMA5401

11 November 2019

Cyber Risks Exclusion

(for attachment to Legal Expenses forms)

This Policy does not cover **Legal Expenses** for, incurred as a result of, or arising out of a **Cyber Act** or **Cyber Incident**.

Definitions

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

Cyber Incident means:

i) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or

ii) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

LMA5484

13 November 2020

CYBER AND DATA EXCLUSION

(for attachment to Canadian Liability forms)

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy does not apply to any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

   1.1 **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**;

   1.2 loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any **Data**, including any amount pertaining to the value of such **Data**; or

   1.3 complaint, investigation, or proceedings arising directly or indirectly from a breach or alleged breach of the Personal Information Protection and Electronic Documents Act, the Canada Anti-Spam Legislation, any Privacy Act, or any similar Canadian, Provincial or Territorial statute or regulation,

   regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

3. This endorsement supersedes any other wording in the Policy or any endorsement thereto having a bearing on a **Cyber Act**, **Cyber Incident** or **Data**, and, if in conflict with such wording, replaces it.

<u>Definitions</u>

4. **Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

5. **Cyber Act** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

6. **Cyber Incident** means:

   6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or

   6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

7. **Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

LMA5528
21 December 2020

LLOYD'S

LLOYD'S UNDERWRITERS' POLICYHOLDERS' COMPLAINT PROTOCOL

Lloyd's strives to enhance your customer experience with us through superior service and innovative insurance products.

We have developed a formal complaint handling protocol in accordance with the Insurance Companies Act of Canada to ensure your concerns as our valued customer are addressed expeditiously by our representatives. This protocol will assist you in understanding the steps we will undertake to help resolve any dispute which may arise with our product or service. All complaints will be handled in a professional manner. All complaints will be investigated, acted upon, and responded to in writing or by telephone by a Lloyd's representative promptly after the receipt of the complaint. If you are not satisfied with our products or services, you can take the following steps to address the issue:

- Firstly, please contact the broker who arranged the insurance on your behalf about your concerns so that he or she may have the opportunity to help resolve the situation.
- If your broker is unable to help resolve your concerns, we ask that you provide us in writing an outline of your complaint along with the name of your broker and your policy number.

Please forward your complaint to:

Lloyd's Underwriters

Attention: Complaints Officer:

1155 rue Metcalfe, Suite 2220, Montréal (Québec) H3B 2V6

Tel: 1-877-455-6937 - Fax: (514) 861-0470

E-mail: info@lloyds.ca

Your complaint will be directed to the appropriate business contact for handling. They will write to you within two business days to acknowledge receipt of your complaint and to let you know when you can expect a full response. If need be, we will also engage internal staff in Lloyd's Policyholder and Market Assistance Department in London, England, who will respond directly to you, and in the last stages, they will issue a final letter of position on your complaint.

In the event that your concerns are still not addressed to your satisfaction, you have the right to continue your pursuit to have your complaint reviewed by the following organizations:

General Insurance OmbudService (GIO): assists in the resolution of conflicts between insurance customers and their insurance companies. The GIO can be reached at:

Toll free number: 1-877-225-0446

www.giocanada.org

For Quebec clients:

Autorité des marchés financiers (AMF): The regulation of insurance companies in Quebec is administered by the AMF. If you remain dissatisfied with the manner in which your complaint has been handled, or with the results of the complaint protocol, you may send your complaint to the AMF who will study your file and who may recommend mediation, if it deems this action appropriate and if both parties agree to it. The AMF can be reached at

Toll Free: 1-877-525-0337

Québec: (418) 525-0337

Montréal: (514) 395-0311

www.lautorite.qc.ca

If you have a complaint specifically about Lloyd's Underwriters' complaints handling procedures you may contact the FCAC.

Financial Consumer Agency of Canada (FCAC) provides consumers with accurate and objective information about financial products and services, and informs Canadians of their rights and responsibilities when dealing with financial institutions. FCAC also ensures compliance with the federal consumer protection laws that apply to banks and federally incorporated trust, loan and insurance companies. The FCAC does not get involved in individual disputes. The FCAC can be reached at:

427 Laurier Avenue West, 6th Floor, Ottawa ON K1R 1B9

Services in English: 1-866-461-FCAC (3222)

Services in French: 1-866-461-ACFC (2232)

www.fcac-acfc.gc.ca

09/14

LSW1542F

NOTICE CONCERNING PERSONAL INFORMATION

Introduction:

This notice describes how Lloyd's Canada, as a data controller, collects, uses, shares and retains the personal information you provide and informs you about your choices regarding use, access and correction of your personal information. Lloyd's is committed to ensuring that any personal data it receives is protected and handled in accordance with applicable data protection laws.

Consent to Collection:

By purchasing insurance or filing a claim on a policy issued by Lloyd's Underwriters in Canada, ("Lloyd's"), a customer provides Lloyd's with their consent to the collection, use and disclosure of personal information. Consent is subject to the customer's understanding of the nature, purpose, and consequences of the collection, use or disclosure of their personal information.

How we Collect Information:

We receive policy and claim information from sources such as: Lloyd's Coverholders, Lloyd's Managing Agents, insurance brokers, claims adjusters, and other insurance intermediaries.

What personal information we process about you and how it is used:

Information is collected and stored for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the analysis of business results
- purposes required or authorized by law

We collect, process, and store the following personal information about you:

- Name
- Address including postal code and country
- Policy number
- Claim number
- Claim details

We also collect information about you when you visit https://www.lloyds.com. Further details can be found on our online Privacy & Cookies policy at Privacy - Lloyd's (lloyds.com)

We will not use your personal information for marketing purposes, and we will not sell your personal information to other parties.

Who we disclose your information to:

For our general business administration, efficiency, and accuracy purposes, your personal information might be shared among certain Lloyd's offices. In order to properly manage the Lloyd's market and exercise certain supervisory powers, we may share your personal information with the Lloyd's Market Participants. For example, to successfully resolve any complaint, we will require all relevant information about your coverage and concerns.

To help manage our business and deliver services, we may share your personal information with third party service providers such as IT suppliers and business services. We require all our service providers to respect the confidentiality and security of personal data.

We may be under legal or regulatory obligations to share your personal data with Canadian courts, regulators, and law enforcement bodies.

Personal information collected by Lloyd's may be stored in several provinces within Canada, as well as sent for processing to Lloyd's offices in international locations such as the United States, the United Kingdom and the European Union. The collection, use and disclosure of personal information will be subject to the laws of those jurisdictions. By communicating personal information to us, for the purchase of insurance products or filing claims, you hereby consent to disclosing such personal information as may be required by the laws of that jurisdiction.

For the purposes described above, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain IT suppliers and business services providers. As some of these entities and Business Services Providers may be located outside of Canada, including in the United States of America or another foreign jurisdiction such as the United Kingdom and the European Union, the collection, use and disclosure of personal information will be subject to the laws of that jurisdiction. By communicating personal information to us, for the purchase of insurance products or filing claims, you hereby consent to these entities and Business Services Providers located outside of Canada to disclosing such personal information as required by the laws of that jurisdiction.

Use or disclosure without consent or further notification

Personal information may be used for a purpose other than those for which it was originally collected, without the consent, in the following situations:

- Legitimate business purposes: When it is necessary for the supply or delivery of a product or the provision of a service you have requested. We may also be required to share information to investigate allegations of fraud; where permitted or required by law; to protect and defend legal claims; and, at the request of government institutions in accordance with applicable laws.
- Interest of the individual: When it is clearly used for your benefit.

- Research, data analytics and AI. Only if it is used for purposes consistent with those it was collected, for study or research purposes, or for statistical purposes (where if the information has been de-identified).

LLOYD'S

Retention

We retain personal information for the purposes described above, for so long as is necessary to achieve those purposes. We will also retain information for so long as required by or regulatory obligations or by law.

Your rights

You have certain rights as an individual which you can exercise in relation to the information we hold about you. If you make a request to exercise any of your rights, we reserve the right to ask you for a proof of your identity. We aim to acknowledge your request as soon as possible and will address your query within one month from your request.

You have the following rights:

The right to access

You are entitled to a confirmation to how we are processing your data, a copy of your data, and information about the purposes of processing, who do we disclose it to, whether we transfer it abroad and how we protect it, how long we keep it for, what rights you have, where we got your data from and how you can make a complaint.

We may have to decline a request due to legal restrictions. This could include, but are not limited to:

- the information is subject to solicitor/client privilege,
- providing the information would reveal personal information about a third party, or
- providing the information could compromise the investigation of a claim.

The right to rectification

If you believe the personal information we hold about you is inaccurate or incomplete, you can request for it to be rectified.

The right to be forgotten

If you withdraw your consent, terminate a contract with us or you believe the personal information is no longer necessary for the purposes for which it was collected, you may request your data to be deleted. However, this will need to be balanced against other factors. For example, there may be certain regulatory obligations which may prevent us from completing your request.

The right to data portability

If we collected your information under a contract or your consent, you can request from us to transfer your personal information to provide it to another third party of your choice.

The right to withdraw consent

If we processed your personal information under your consent, you can withdraw consent to the communication or use of the information collected; assuming it is no longer needed for the purposes it was collected.

How to access your information and/or contact us

For further information about Lloyd's management of personal information or to request, access, corrections, deletion, or to make a complaint, please contract:

Lloyd's Underwriters
Attention: Nicole Seymour, Privacy Officer
Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930,
P.O. Box 51 Toronto, Ontario M5J 2J2 Tel:
1-416-360-1512
E-mail: LloydsCanada@lloyds.com

08/23
LSW1543E

LLOYD'S

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER
Lloyd's Approved Coverholder ("the Coverholder"):
Arthur J. Gallagher Canada Limited
101-4430 West Saanich Road, Victoria, BC V8Z 3E9

Where LLOYD'S UNDERWRITERS are subscribing insurers to the Policy, the following applies to them:

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

This insurance has been entered into in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to the Agreement shown in the List of Subscribing Companies (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is 1155, rue Metcalfe, Suite 2220, Montreal, Quebec H3B 2V6.

NOTICE

Any notice to the Underwriters may be validly given to the Coverholder.

07/05

LSW1550

SUBSCRIPTION POLICY

IN CONSIDERATION OF THE INSURED having paid or agreed to pay each of the INSURERS named in the List of Subscribing Companies forming part hereof, or to INSURERS whose names are substituted therefor or added thereto by endorsement, hereinafter called "THE INSURERS", the Premium set against its name in the List of Subscribing Companies (attached hereto),

THE INSURERS SEVERALLY AND NOT JOINTLY agree, each for the Sum(s) Insured or Percentage(s) and for the Coverage(s) Insured set against its name in the List of Subscribing Companies, and subject always to the terms and conditions of this Policy, that if a loss occurs for which insurance is provided by this Policy at any time while it is in force, they will indemnify the INSURED against the loss so caused; the liability of each insurer individually for such loss being limited to that proportion of the loss payable according to the terms and conditions of this Policy which the Sum Insured or the amount corresponding to the Percentage set against its name in the List of Subscribing Companies, or such other sum or percentage as may be substituted therefor by endorsement, bears to the total of the sums insured or of the amounts corresponding to the percentages of the sums insured respectively set out against the coverage concerned on the Declarations page(s).

That as regards each item of property insured which is lost or damaged at any time while this Policy is in force by a peril for which insurance is provided by the terms and conditions of this Policy, the liability of each Insurer individually shall be limited to whichever is the least of:

(a) that proportion of the actual cash value of the property at the time of the loss, destruction or damage which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual Insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril, or

(b) that proportion of the interest of THE INSURED in the property which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this policy in respect of that property against that peril, or

(c) that proportion of the limit of insurance stipulated in respect of the property lost, destroyed or damaged which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril,

Provided however, that where the insurance applies to the property of more than one person or interest THE INSURERS' total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the specified limit or limits of liability.

If this Policy contains a Co-Insurance Clause or a Guaranteed Amount (Stated Amount) Clause, and subject always to the limit of liability of each Insurer corresponding to the percentage of the sum insured by this Policy as set out above, no Insurer shall be liable for a greater proportion of any loss or damage to the property insured, than the sum insured by such Insurer bears to:

(a) that percentage, stated in the Co-Insurance Clause, of the actual cash value of the said property at the time of loss, or

(b) the Guaranteed Amount (Stated Amount) of total insurance stated in the Guaranteed Amount (Stated Amount) Clause, as the case may be.

If the insurance under this Policy is divided into two or more items, the foregoing shall apply to each item separately.

Wherever in this Policy, or in any endorsement attached hereto, reference is made to "The Company", "The Insurer", "This Company", "we", "us", or "our", reference shall be deemed to be made to each of the Insurers severally.

This policy is made and accepted subject to the foregoing provisions, and to the other provisions, stipulations and conditions contained herein, which are hereby specially referred to and made a part of this Policy, as well as such other provisions, agreements or conditions as may be endorsed hereon or added hereto.

IN WITNESS WHEREOF THE INSURERS through their representative(s) duly authorized by them for this purpose have executed and signed this Policy.

Property/Liability/Other

07/05
LSW1554

Code of Consumer Rights and Responsibilities

Insurers (including Lloyd's Underwriters), along with the brokers and agents who sell home, auto and business insurance are committed to safeguarding your rights both when you shop for insurance and when you submit a claim following a loss. Your rights include the right to be informed fully, to be treated fairly, to timely complaint resolution, and to privacy. These rights are grounded in the contract between you and your insurer and the insurance laws of your province. With rights, however, come responsibilities including, for example, the expectation that you will provide complete and accurate information to your insurer. Your policy outlines other important responsibilities. Insurers and their distribution networks, and governments also have important roles to play in ensuring that your rights are protected.

Right to Be Informed

You can expect to access clear information about your policy, your coverage, and the claims settlement process. You have the right to an easy-to-understand explanation of how insurance works and how it will meet your needs. You also have a right to know how insurers calculate price based on relevant facts. Under normal circumstances, insurers will advise an insurance customer or the customer's intermediary of changes to, or the cancellation of a policy within a reasonable prescribed period prior to the expiration of the policy, if the customer provides information required for determining renewal terms of the policy within the time prescribed, which could vary by province, but is usually 45 days prior to expiry of the policy.

You have the right to ask who is providing compensation to your broker or agent for the sale of your insurance. Your broker or agent will provide information detailing for you how he or she is paid, by whom, and in what ways.

You have a right to be told about insurers' compensation arrangements with their distribution networks. You have a right to ask the broker or agent with whom you deal for details of how and by whom it is being paid. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

Responsibility to Ask Questions and Share Information

To safeguard your right to purchase appropriate coverage at a competitive price, you should ask questions about your policy so that you understand what it covers and what your obligations are under it. You can access information through one-on-one meetings with your broker or agent. You have the option to shop the marketplace for the combination of coverages and service levels that best suits your insurance needs. To maintain your protection against loss, you must promptly inform your broker or agent of any change in your circumstances.

Right to Complaint Resolution

Insurers, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access Lloyd's Underwriters' complaint resolution process for Canada. Your agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Consumers may also contact their respective provincial insurance regulator for information. Lloyd's is a member of an independent complaint resolution office, the General Insurance OmbudService.

Responsibility to Resolve Disputes

You should always enter into the dispute resolution process in good faith, provide required information in a timely manner, and remain open to recommendations made by independent observers as part of that process.

Right to Professional Service

You have the right to deal with insurance professionals who exhibit a high ethical standard, which includes acting with honesty, integrity, fairness and skill. Brokers and agents must exhibit extensive knowledge of the product, its coverages and its limitations in order to best serve you.

Right to Privacy

Because it is important for you to disclose any and all information required by an insurer to provide the insurance coverage that best suits you, you have the right to know that your information will be used for the purpose set out in the privacy statement made available to you by your broker, agent or insurance representative. This information will not be disclosed to anyone except as permitted by law. You should know that Lloyd's Underwriters are subject to Canada’s privacy laws - with respect to their business in Canada.

10/12
LSW1565C

PUNITIVE AND EXEMPLARY DAMAGES EXCLUSION CLAUSE

Regardless of any other provision of this insurance, this insurance does not apply to punitive or exemplary damages.

N.M.A. 1933

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD)-CANADA

(For use with all Public Liability Policies except Personal, Farmers' and Storekeepers')

It is agreed that this Policy does not apply:

(a) to liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof; nor

(b) to bodily injury or property damage with respect to which an Insured under this policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; nor

(c) to bodily injury or property damage resulting directly or indirectly from the nuclear energy hazard arising from:

   (i) the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an Insured;

   (ii) the furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; and

   (iii) the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

As used in this policy:

1. The term ''nuclear energy hazard'' means the radioactive, toxic, explosive, or other hazardous properties of radioactive material;

2. The term ''radioactive material'' means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by or pursuant to any law, act or statute, or law amendatory thereof as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;

3. The term ''nuclear facility'' means:

   (a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;

   (b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilising spent fuel, or (iii) handling, processing or packaging waste;

   (c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

   (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material;

and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

4. The term ‘‘fissionable substance’’ means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

5. With respect to property, loss of use of such property shall be deemed to be property damage.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this Clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

01/4/96
NMA1978a

ELECTRONIC DATE RECOGNITION EXCLUSION (EDRE)

This policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to :

a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not ; or

b) any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non- computer equipment, whether the property of the insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

EDRE
NMA 2802 (17/12/1997)
Form approved by Lloyd’s Underwriters’ Non-Marine Association Limited

ELECTRONIC DATA ENDORSEMENT B

1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

b) However, in the event that a peril listed below results from any of the matters described in paragraph a) above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils

Fire
Explosion

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

NMA 2915

25/01/2001

Biological or Chemical Materials Exclusion

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

NMA2962

06/02/2003

ENDORSEMENT

DAC ASBESTOS EXCLUSION 2003 (XOL) 7/03

It is agreed that this Policy shall not apply to

1 liability directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising from the existence of or exposure to asbestos and/or any asbestos containing materials

2 any obligation to defend any claim or suit against the Assured alleging liability resulting from 1 above nor to Underwriters' liabilities for any costs fees or expenses arising therefrom

Subject otherwise to the Terms Conditions Limitations and Exclusions of the Policy

CYBER LITE

NOTICE: THIS POLICY ENDORSEMENT CONTAINS ONE OR MORE COVERAGES. CERTAIN COVERAGES ARE LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST YOU AND NOTIFIED TO US DURING THE POLICY PERIOD AS REQUIRED. CLAIM EXPENSES SHALL REDUCE THE APPLICABLE LIMITS OF LIABILITY AND ARE SUBJECT TO THE APPLICABLE RETENTION(S). TERMS THAT APPEAR IN BOLD FACE TYPE HAVE SPECIAL MEANINGS. SEE THE DEFINITIONS FOR MORE INFORMATION. PLEASE READ THIS POLICY CAREFULLY.

In consideration of the payment of the premium and reliance upon the statements made by **You** in the **Application** and subject to the Limit of Liability, exclusions, conditions and other terms of this Policy, it is agreed as follows:

COVERAGES

A. SECURITY AND PRIVACY LIABILITY (INCLUDING EMPLOYEE PRIVACY)

We shall pay on **Your** behalf **Damages** and **Claim Expenses** that **You** become legally obligated to pay in excess of the applicable Retention resulting from a **Claim** first made against **You** and reported to **Us** during the **Policy Period** or **Extended Reporting Period** arising out of either a **Security Wrongful Act, Privacy Breach** or **Security Breach** on or after the **Retroactive date** and before the end of the **Policy Period**.

B. SECURITY BREACH RESPONSE COVERAGE

We shall reimburse **Your Organization** for **Crisis Management Costs** and **Breach Response Costs** in excess of the applicable Retention that **Your Organization** incurs in the event of a **Security Breach** with respect to personal, non-public information.

We will not make any payment under this Coverage unless the **Security Breach** first occurs on or after the **Retroactive Date** and before the end of the **Policy Period** and **You** discover the **Security Breach** within the **Policy Period** and report the **Security Breach** to **Us** as soon as practicable within the **Policy Period**.

C. CYBER EXTORTION COVERAGE

We shall reimburse **You** for any **Cyber-Extortion Expenses** and **Cyber-Extortion Payments** in excess of the applicable Retention that **You** actually pay directly resulting from a **Cyber-extortion Threat** that **You** first receive and report to **Us** during the **Policy period**.

I. DEFENSE, SETTLEMENT, AND INVESTIGATION OF CLAIMS

A. **We** shall have the right and duty to defend, subject to the applicable policy aggregate limit and applicable sublimits of liability, exclusions and other terms and conditions of this Policy, any **Claim** against **You** seeking **Damages** which are payable under the terms of this Policy, even if any of the allegations of the **Claim** are groundless, false, or fraudulent and **We** shall have the right to appoint defense counsel.

We agree that **You** may settle any **Claim** where the amounts covered under this Policy (including **Claim Expenses**) do not exceed 50% of the retention, provided the entire **Claim** is resolved and **You** receive a full and final release from all claimants.

We shall have the right to make any investigation **We** deem necessary, including, without limitation, any investigation with respect to the **Application** and statements made in the **Application** and with respect to coverage.

The policy aggregate limit of liability and sublimits of liability for Coverage A., stated on the Declarations page shall be reduced and may be completely exhausted by payment of **Claim Expenses**.

B. If **You** refuse to consent to a settlement or compromise **We** recommend that is acceptable to the claimant and elect to contest the **Claim**, then:

1. Subject to the applicable limit of liability, **Our** liability for any **Damages,** and **Claim Expenses** shall not exceed:

a. the amount for which the **Claim** could have been settled, plus the **Claim Expenses** incurred prior to the date of such refusal; and

b. fifty percent (50%) of the **Damages,** and **Claim Expenses** in excess of the amount in a. above incurred in such **Claim**; provided that **You** bear the remaining 50% of the **Damages,** and **Claim Expenses** in excess of the amount in a. above incurred in such **Claim** uninsured and at **Your** own risk; and **We** shall have the right to withdraw from the further defense of such **Claim** by tendering control of the defense to **You**.

This clause shall not apply to any settlement where the total of the proposed settlement and incurred **Claim Expenses** do not exceed all applicable Retentions.

C. **We** shall not be obligated to pay any **Damages,** or **Claim Expenses**, or to undertake or continue defense of any **Claim**, after the policy aggregate limit or applicable sublimit of liability as stated on the declarations page has been exhausted by payment of **Damages, Claim Expenses,** and/or other amounts covered under this Policy or after deposit of the unexhausted portion of the applicable limit of liability in a court of competent jurisdiction or after tendering the unexhausted portion of the applicable limit of indemnity to **You**, and that upon such payment or deposit or tendering of the unexhausted portion of the applicable limit of indemnity to **You**, **We** shall have the right to withdraw from the further defense thereof by tendering control of said defense to **You**.

II. TERRITORY

This insurance applies to **Claims** made, and acts, errors, or omissions committed or alleged to have been committed anywhere in the world.

III. EXCLUSIONS

The coverage under this Policy shall not apply to any **Damages, Claim Expenses**, **Crisis Management Costs**, **Breach Response Costs, Cyber-Extortion Expenses, Cyber-Extortion Payments** or other amounts, arising out of or resulting, directly or indirectly, regardless of any other cause occurring in any sequence, from:

A. **Bodily Injury** or **Property Damage,** except that this exclusion shall not apply to emotional distress or mental anguish arising out of an actual or alleged **Privacy Breach, Security Breach** or **Security Wrongful Act**;

B. **Your** employment practices or any alleged or actual discrimination against any person or entity on any basis, including without limitation, race, creed, color, religion, ethnic background, national origin, age, handicap, disability, sex, sexual orientation, gender identity or pregnancy; provided this exclusion shall not apply to an otherwise covered **Claim** under Coverage A. by a current or former **Employee** of **Your Organization**; or to the payment of **Breach Response Costs** involving current or former **Employees** of **Your Organization**;

C. The failure, malfunction or inadequacy of any satellite, any electrical or mechanical failure and/or interruption, including but not limited to electrical disturbance, outage, spike, brownout or blackout; or any outage to gas, water, telephone, cable, internet service, telecommunications, or other infrastructure, unless such infrastructure is under **Your** operational control;

D. Fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, an act of God, or any other physical event, however caused;

E. Based upon, arising out of or attributable to any unsolicited email, robocalls, text messages, direct mail or facsimiles, wiretapping, audio or video recording, or telemarketing, or any online, social media or mobile advertisements, including without limitation any actions brought under the Telephone Consumer Protection Act of 1991, any federal or state anti-spam statutes, and/or any other federal or state statute, law or regulation relating to a person's or entity's right of seclusion;

F. Any seizure, confiscation, nationalization, or destruction of, or damage to, or loss of use of any **Digital Asset** or **Your Computer Systems** by order of any governmental authority;

G.

1. based upon, arising out of or attributable to any contractual liability or obligation, liability assumed under contract, or any breach of any oral or written contract or agreement; any liability or obligation **You** would have in the absence of such contract or agreement;

2. any breach of **Your** written, public-facing privacy policy;

3. any indemnity by **You** in a written contract or agreement with **Your** client regarding any **Privacy Breach, Security Breach** or **Security Wrongful Act** by **You** in failing to preserve the confidentiality or privacy of personal information of customers of **Your** client; or

4. any indemnity by **You** in a written contract or agreement with **Your** client regarding any **Privacy Breach, Security Breach** or **Security Wrongful Act** by **You** in failing to preserve the confidentiality of sensitive, non-public commercial information of **Your** client.

H. Any of the following:

1. Any presence of pollutants or contamination of any kind;

2. Any actual, alleged or threatened discharge, dispersal, release, or escape of pollutants or contamination of any kind;

3. Any direction or request to test for, monitor, clean up, remove, abate, contain, treat, detoxify, or neutralize pollutants or in any way respond to or assess the effects of pollutants or contamination of any kind;

4. Manufacturing, mining, use, sale, installation, removal, distribution of or exposure to asbestos, or materials or products containing asbestos, asbestos fibers or dust;

5. Ionizing radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;

6. Actual, potential or alleged presence of mold, mildew or fungi of any kind;

7. The radioactive, toxic, or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or

8. The existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety, or condition of any person or the environment or that actually or allegedly affects the value, marketability, condition, or use of any property;

J. Any of the following:

1. Purchase, sale, offer of or solicitation of an offer to purchase or sell securities, or alleged or actual violation of any securities law, including but not limited to the provisions of the Companies Act 2006 (UK), the Financial Services and Markets Act 2000 (UK), the Securities Act of 1933 (US), or the Securities Exchange Act of 1934 (US), as amended, the Sarbanes-Oxley Act of 2002 (US), or any regulation promulgated under the foregoing statutes, or any federal, state, local, or foreign laws similar to the foregoing statutes (including "Blue Sky" laws), whether such law is statutory, regulatory, or common law and including any amendments to any such laws;

2. Alleged or actual violation of the Organized Crime Control Act of 1970 (commonly known as "Racketeer Influenced And Corrupt Organizations Act" or "RICO"), as amended, or any regulation promulgated thereunder, or any federal, state, local, or foreign law similar to the foregoing statute, whether such law is statutory, regulatory, or common law;

3. Alleged or actual violation of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974, as amended, and including any future amendments; provided, however, this exclusion J.3. shall not apply to an otherwise covered **Claim** under Coverage A. ; or

4. Alleged or actual anti-trust violations, restraint of trade or unfair competition, including without limitation, violations of the Competition Act 1998, Articles 101, 102 or 107 of the Treaty on the Functioning of the European Union, Council Regulation 139/2004 EC, the Sherman Act (US), the Clayton Act (US), or the Robinson-Patman Act (US), each as amended or any other national, federal, state, local, or foreign laws regulating the same or similar conduct, including any amendments to the foregoing;

K. Any **Act of terrorism**; strike or similar labor action, war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder or defend against these actions; including all amounts, **Damages**, or **Claim Expenses** of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing, or in any way relating to the above; however, if **We** allege that by reason of this exclusion any **Damages, Claim Expenses, Crisis Management Costs,** or **Breach Response Costs** are not covered by this Policy, the burden of proving the contrary shall be upon **You**;

However, this exclusion shall not apply to **Cyber Terrorism**.

L. Any of the following:

1. Any **Circumstance** first occurring, or act, error, or omission committed, prior to the **Continuity Date** of this Policy, if on or before the **Continuity Date** of this Policy, **Your Control Group** knew or could reasonably have foreseen such **Circumstance**, act, error, or omission would be the basis of a **Claim**;

2. Any **Claim,** incident, or **Circumstance** previously notified to a prior insurer that could reasonably be expected to be the type of **Claim** or **Loss** covered by this Policy; or

3. Any **Circumstance** first occurring, or act, error, or omission first committed prior to the **Retroactive Date**;

M. Any criminal, dishonest, intentional violation of the law, unfair, or deceptive business practice, fraudulent, or malicious act, error, or omission committed by **You** with actual criminal, dishonest, fraudulent, or malicious purpose or intent; provided, however, this exclusion shall not apply to:

1. **Claim Expenses** incurred in defending any such **Claim** until there is a final adjudication, judgment, binding arbitration decision or conviction against **You** in such **Claim** or an admission by **You** establishing such conduct, or a plea of *nolo contendere* or no contest by **You** regarding such conduct, in which event **You** shall reimburse **Us** for all **Claim Expenses** that **We** have paid and **We** shall have no further liability for **Claim Expenses** from such **Claim**; and

2. any of **You** who did not personally commit or personally participate in committing or personally acquiesce in such conduct, except that the exclusion shall apply with respect to **Your Organization** if an admission, final adjudication, or finding in a proceeding separate or collateral to the **Claim** establishes that a current principal, partner, director, or officer of **Your Organization** in fact engaged in such conduct;

N. Any **Claim** made by or on behalf of:

1. any person or entity within the definition of **You** against any other Insured person or entity within the definition of **You** provided this exclusion shall not apply to an otherwise covered **Claim** under Coverage A. made by a current or former **Employee** of **Your Organization**; or

2. Any entity which:

   a. Is operated, managed, or controlled by **You** or in which **You** have an ownership interest in excess of 15% or in which **You** are an officer or director; or

   b. Operates, controls, or manages **Your Organization**, or has an ownership interest of more than 15% in **Your Organization**;

O. **Your** activities as a trustee, partner, officer, director, or employee of any employee trust, charitable organization, corporation, company or business other than **Your Organization**;

P. Any actual or alleged:

1. infringement or violation of patent rights or misappropriation, theft, copying, display, or publication of any trade secret by, or with active cooperation, participation, or assistance of, **You**, any of **Your** former **Employees**, **Subsidiaries**, directors, officers, partners, trustees, or any of **Your** successors, or assignees; provided, however, this exclusion shall not apply to any misappropriation of any trade secret obtained as a result of a **Security Wrongful Act** as expressly covered under Coverage A;

2. advertisement, display, or sale of **Your** product that actually or allegedly violates an intellectual property right, including but not limited to patent, trademark, copyright, trade name, trade dress, or service mark;

3. false advertising;

Q. Any of the following:

a) Trading losses or trading liabilities;

b) the monetary value of any electronic fund transfers or transactions by or on behalf of **You** which is lost, diminished, or damaged during transfer from, into or between accounts;

c) the face value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;

d) the theft of any money, securities, or any equivalents thereof (including e-certificates, coupons, gift cards and vouchers); or

e) the monetary value of any transfer of funds, securities, or any equivalents thereof (including e-certificates, coupons, gift cards, and vouchers) made as a result of a fraudulent instruction (including phishing or any other social engineering techniques).

R. Any costs of updating, upgrading or remediating **Your Computer Systems** or **Your Digital Assets**;

S. Ordinary wear and tear, gradual deterioration of or failure to maintain **Digital Assets** or **Computer Systems** on which **Digital Assets** are processed or stored, whether owned by **You** or others;

T. Any **Claim** or **Loss** resulting directly from **Your** bankruptcy, financial impairment, or insolvency.

U. Any act, error, omission, negligence or breach of duty arising out of the rendering or failure to render professional services;

V. DEFINITIONS

A. **Act of terrorism** means:

1. any act certified an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002 or otherwise declared an act of terrorism by any government;
2. any act committed by any person or group of persons designated by any government as a terrorist or terrorist group or any act committed by any person or group of persons acting on behalf of or in connection with any organization designated by any government as a terrorist organization; or
3. the use of force or violence and/or the threat thereof by any person or group of persons, whether acting alone or on behalf of or in connection with any organization or government, committed for political, religious, ideological, or similar purposes, including the intention to influence any government and/or put the public, or any section of the public, in fear.

B. **Application** means all applications, including any attachments thereto, and all other information and materials submitted by **You** or on **Your** behalf to **Us** in connection with the underwriting of this Policy. All such applications, attachments, information and materials are deemed attached to and incorporated into this Policy.

C. **Bodily Injury** means injury to the body, sickness, or disease sustained by any person, and where resulting from such injuries, mental anguish, mental injury, shock, humiliation, emotional distress, loss of consortium, or death.

D. **Breach Response Costs** means the following fees, costs, charges, or expenses, if reasonable and necessary, that **You** incur in responding to a **Security Breach** during the period of twelve (12) months after **You** first learn of such **Security Breach**:

1. computer forensic professional fees and expenses to determine the cause and extent of such **Security Breach**;

2. legal fees and expenses to determine whether **You** are obligated under applicable **Privacy Regulations** to notify applicable regulatory agencies or customers or **Employees** affected or reasonably believed to be affected by such **Security Breach**, draft the text of privacy notifications to customers or **Employees** affected or reasonably believed to be affected by such **Security Breach**, and coordinate the investigation of such **Security Breach**; or

3. costs to notify regulatory agencies or customers or **Employees** affected or reasonably believed to be affected by such **Security Breach**, including printing costs, publishing costs, postage expenses, call center costs, or costs of notification via phone or e-mail;

4. **Credit monitoring expenses**,

Provided, however, **We** shall have no obligation to reimburse **You** for **Breach Response Costs** under D. 3 and D.4 unless:

(a) **You** provide an opinion from legal counsel that **You** were obligated under applicable **Privacy Regulations** to notify applicable regulatory agencies or customers or **Employees** affected or reasonably believed to be affected by such **Security Breach** of such **Security Breach**; or

(b) **You** voluntarily incur with **Our** prior written consent such **Breach Response Costs** (including **Credit monitoring expenses**), such as in a jurisdiction where **You** have no obligation to notify applicable regulatory agencies or customers or **Employees** affected or reasonably believed to be affected by such **Security Breach** of such **Security Breach**.

Breach Response Costs do not include **Your** overhead expenses or any salaries, wages, fees, or benefits of **Your Employees**.

You are able to incur any costs under D.1 (forensic) and D.2 (legal advice) without **Our** prior written consent if **You** use a vendor from the **Breach Response Panel**. Use of a vendor not on the **Breach Response Panel** is permitted, but only with **Our** prior written consent.

E. **Breach Response Panel** means the breach vendors as identified in Appendix 1 to the Policy.

F. **Circumstance** means an incident, occurrence, fact, matter, act or omission that might give rise to any **Claim, Loss** or **Claim Expenses** under this **Policy.**

G. **Claim** means:

1. A written demand received by **You** for money or services, including the service of a civil suit or institution of arbitration proceedings;

2. Initiation of a civil suit against **You** seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction);

Multiple **Claims** arising from the same or a series of related or repeated acts, errors, or omissions or from any continuing acts, errors, or omissions shall be considered a single **Claim** for the purposes of this Policy, irrespective of the number of claimants or **You** involved in the **Claim**. All such **Claims** shall be deemed to have been made at the time the first such **Claim** was made or deemed made under Section IX.A.

H. **Claim Expenses** means:

1. reasonable and necessary fees charged in the defense or settlement of a **Claim** by an attorney whom **We** designate or whom **You** designate with **Our** prior written consent, such consent not to be unreasonably withheld; and

2. all other legal costs and expenses resulting from the investigation, adjustment, defense, and appeal of a **Claim**, if incurred by **Us** or by **You** with **Our** prior written consent; however, **Claim Expenses** do not include **Your** overhead expenses or any salaries, wages, fees, or benefits of **Your Employees** for any time spent in cooperating in the defense or investigation of any **Claim** or **Circumstance** that might lead to a **Claim**.

I. **Computer Systems** means electronic, wireless, web or similar systems (including all hardware and software) used to process data or information in an analog, digital, electronic or wireless format including computer programs, electronic data, operating systems, and components thereof, including but not limited to, laptops, personal digital assistants, media storage and peripheral devices, media libraries, associated input and output devices, networking equipment, and electronic backup equipment.

J. **Continuity Date** means the date specified in Item 4. of the Declarations.

K. **Control Group** means **Your** General Counsel, Risk Manager, Chief Technology Officer, Chief Privacy Officer, Chief Information Officer, or Chief Information Security Officer (or any functional equivalent of the foregoing).

L. **Credit monitoring expenses** means the reasonable and necessary expense of providing free credit reports, identity theft protection services, credit monitoring services, and other services and products deemed appropriate at **Our** sole discretion credit freezes, or fraud alerts for customers affected or reasonably believed to be affected by a **Security Breach** ; provided, however, **We** shall not be obligated to reimburse **You** for more than one (1) year of **Credit Monitoring Expenses** for affected customers and only if they are at least eighteen (18) years old, unless there is a rule, regulation, statutory requirement, or court order requiring otherwise.

M. **Crisis Management Costs** means any reasonable and necessary fees and expenses **You** incur with **Our** prior written consent to employ a public relations consultant to avert or mitigate any material damage to any of **Your** brands due to a **Newsworthy Event** that has arisen due to a **Security Breach.**

N. **Cyber-Extortion Expenses** means the reasonable and necessary expenses **You** incur with **Our** prior written approval in evaluating and responding to a **Cyber-Extortion Threat**. However, **Cyber-Extortion Expenses** do not include **Your** overhead expenses or any salaries, wages, fees, or benefits of **Your Employees**.

O. **Cyber-Extortion Payment** means any sum paid to or at the direction of any third party that **You** reasonably believe to be responsible for a **Cyber-Extortion Threat**; provided that:

1. **You** obtain **Our** written consent prior to making such **Cyber-Extortion Payment;**
2. **You** make such **Cyber-Extortion Payment** to terminate the **Cyber-Extortion Threat**; and
3. the **Cyber-Extortion Payment** does not exceed the amount **We** reasonably believe would have been incurred had such **Cyber-Extortion Payment** not been made.

P. **Cyber-Extortion Threat** means a credible threat or connected series of threats made by someone other than a director, trustee, or partner of **Your Organization**:

1. to introduce **Malicious Code** into **Your Computer System**;
2. to interrupt **Your Computer System** or interrupt access to **Your Computer System**, such as through a denial of service attack;
3. to corrupt, damage, or destroy **Your Computer System**; or
4. to disseminate, divulge, or improperly utilize any personal or confidential corporate information residing on **Your Computer Systems**.

Q. **Cyber Terrorism** means the premeditated use of disruptive activities against **Your Computer System** by an individual or group of individuals, or the explicit threat by an individual or group of individuals to use activities, with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives. **Cyber Terrorism** does not include any such activities which are part of or in support of any military action, war, or warlike operations.

R. **Damages** means:

1. Solely with respect to Coverage A., a monetary judgment, award, or settlement, including:
   a. Pre-judgment interest;
   b. Post-judgment interest that accrues after entry of the judgment or award and before **We** have paid, offered to pay, or deposited in court that part of the judgment or award within the applicable limit of liability; and

c. subject to this Policy's terms, conditions, and exclusions, punitive or exemplary damages (where insurable by the applicable law that most favors coverage for such damages);

Damages shall not include or mean:

1. **Your** future profits, restitution, or disgorgement of profits; or **Your** cost to comply with any order granting injunctive or non-monetary relief, including specific performance, or any agreement to provide such relief;
2. **Your** return or offset of fees, charges, royalties, or commissions for goods or services already provided or contracted to be provided;
3. Fines or penalties of any nature;
4. Any amount **You** are not financially or legally obligated to pay;
5. Multiple damages;
6. Any donations or contributions to any charitable organization;
7. Liquidated damages to the extent that such damages exceed the amount for which **You** would otherwise have been liable in the absence of such liquidated damages agreement;
8. Any **PCI-DSS Assessment**; or
9. Matters that may be deemed uninsurable under the law pursuant to which this Policy may be construed.

S. **Digital Assets** means any electronic data, including personally identifiable, non-public information, or computer software over which **You** have direct control or for which such control has been contractually assigned by **Your Organization** to a **Service Provider**. **Digital Assets** do not include computer hardware of any kind.

T. **Employee** means any individual in **Your Organization's** service, including any part-time, seasonal, and temporary employee, who is compensated by salary, wages, fees, or commissions and over whom **You** have the right to direct and control, but excluding any partner or director of **Your Organization**. **Extended Reporting Period** means the period of time after the end of the **Policy period** for reporting **Claims** as provided in Section VIII. of this Policy.

U. **Malicious code** means any unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the preceding.

V. **Merchant Services Agreement** means any agreement between **Your Organization** and any entity, including a financial institution, credit or debit card company, brand or network, credit or debit card processor, independent sales organization, gateway or membership service, enabling **Your Organization** to accept payment by credit card, debit card, or pre-paid card.

W. **Newsworthy Event** means an event that has been caused by a **Claim** or **Security Breach** within one of the coverages which **You** have purchased, that has been publicized through any media channel, including television, print media, radio or electronic networks, the Internet, and/or electronic mail.

X. **PCI-DSS Assessment** means the direct monetary fines, penalties, reimbursements, fraud recoveries or assessments owed by You under the terms of a **Merchant Services Agreement,** but only where such fines, penalties, reimbursements, fraud recoveries or assessments result from a breach of cardholder data resulting from an actual or reasonably suspected **Security Breach.**

Y. **PCI Data Security Standard (PCI-DSS)** means the published Payment Card Industry Data Security Standard in effect now or as hereafter amended that all merchants, processors, and service providers must follow when storing, processing, and transmitting cardholder data.

Z. **Policy period** means the period of time from the effective date to the expiration date specified in the Declarations, or any earlier cancellation date.

AA. **Privacy Breach** means a breach of **Privacy Regulations** or confidence, or infringement or violation of any rights to privacy by **You**, including but not limited to breach of **Your** written public facing privacy policy, breach of a person's right of publicity, false light, intrusion upon a person's seclusion, or public disclosure of a person's private information.

BB. **Privacy Regulations** means any federal, state, local, or foreign statute, rule, regulation, or other law (including common law) requiring **You** to limit or control the collection, use of, or access to, personally identifiable, non-public information in **Your** possession or under **Your** control, or obligating **You** to inform customers of the unauthorized access to or disclosure of such personally identifiable, non-public information for all locations where **You** operate. **Privacy Regulations** does not include **PCI Data Security Standards (PCI DSS)**.

CC. **Property damage** means physical injury to or destruction of any tangible property, including the loss thereof; provided, however, tangible property does not include **Digital Assets**, but does include all computer hardware.

DD. **Regulatory Claim** means any investigation of or action against **You** by a governmental entity in its official capacity concerning a **Privacy Breach** or **Security Breach.**

EE. **Retroactive date** means the date specified in Item 3. of the Declarations.

FF. **Security Breach** means:

1. the loss, unauthorized access, misuse, or disclosure of personal, non-public information of customers or **Employees** in **Your** care, custody, or control, including such information stored on paper or on a **Computer System** operated by **You** or on **Your** behalf;

2. **Theft of data** stored on a **Computer System** operated by **You** or on **Your** behalf;

that results in or may result in the compromise of the privacy or confidentiality of information.

Any **Security Breach** that has as a common nexus with another **Security Breach**, any fact, circumstance, situation, event, transaction, vulnerability, cause, or series of causally connected facts, circumstances, situations, events, transactions, vulnerabilities, or causes, shall be considered a single **Security Breach** and deemed to have first occurred at the time of the first such **Security Breach**..

GG. **Security Wrongful Act** means any act, error, or omission committed by **You** or a person or entity for which **You** are legally responsible, including an independent contractor or outsourcing organization that results in:

1. The inability of a third party, who is authorized to do so, to gain access to **Computer Systems** operated by **You** or on **Your** behalf;

2. The failure to prevent: **Unauthorized access** to or **Unauthorized use** of a **Computer System** operated by **You** or on **Your** behalf; which results in:

   a. The alteration, copying, corruption, destruction or deletion of, or damage to, electronic data on a **Computer System** operated by **You** or on **Your** behalf;

   b. Unauthorized disclosure of information; or

   c. A Denial of service attack against a third-party's Internet site or **Computer System** or

2. The failure to prevent transmission of **Malicious Code** from a **Computer System** operated by **You** or on **Your** behalf to a third party's **Computer System**.

HH. **Service Provider** means any third party that is responsible for the processing, maintenance, protection, or storage of **Your Digital Assets** pursuant to a written contract directly with **Your Organization**. A **Service Provider** does not include any provider of telecommunications services, including internet access, to **You**.

II. **Subsidiary** means any corporation where more than 50% of the outstanding securities representing the present right to vote for the election of such corporation's directors are owned by the Named Assured directly or indirectly, if such corporation was so owned on the inception date of this Policy; or

1. becomes so owned after the inception date of this Policy, provided the revenues of the newly acquired corporation do not exceed 15% of **Your Organization's** annual revenues as set forth in its most recent audited financial statement; or

2. becomes so owned after the inception date of this Policy, provided that if the revenues of the newly acquired corporation exceed 15% of **Your Organization's** annual revenues as set forth in its most recent audited financial statement, the provisions of Section IX. M. must be fulfilled.

JJ. **Theft of data** means the unauthorized taking, misuse, or disclosure of information on **Your Computer Systems**, including but not limited to charge, debit, or credit information, banking, financial, and investment services account information, proprietary information, and personal, private, or confidential information.

KK. **Unauthorized access** means the gaining of access to a **Computer System** by an unauthorized person or persons or an authorized person or persons in an unauthorized manner.

LL. **Unauthorized use** means the use of a **Computer System** by an unauthorized person or persons or an authorized person or persons in an unauthorized manner.

MM. **We** or **Us** or **Our** means the underwriters providing this insurance.

NN. **You** or **Your** or **Yours** means:

1. the entity named in Insured on the Declarations ("**Named Assured**") and its **Subsidiaries** (together "**Your Organization**");
2. Any present or future director, officer, or trustee of **Your Organization**, but only with respect to the performance of his or her duties as such on behalf of **Your Organization**;
3. Any present or future **Employee** of **Your Organization** but only with respect to work done while acting within the scope of his or her employment and related to the conduct of **Your Organization's** business;
4. In the event that the **Named Assured** is a partnership, limited liability partnership, or limited liability company, then any general or managing partner, principal, or owner thereof, but only while acting within the scope of his or her duties as such;
5. Any person who previously qualified as **You** under 2., 3., or 4. above prior to the termination of the required relationship with **Your Organization**, but only with respect to the performance of his or her duties as such on behalf of **Your Organization**; and
6. The estate, heirs, executors, administrators, assigns, and legal representatives of any of **You** in the event of **Your** death, incapacity, insolvency, or bankruptcy, but only to the extent that **You** would otherwise be provided coverage under this insurance.
7. Any agent or independent contractor, including any distributor, licensee, or sub-licensee, but only while acting on **Your** behalf, at **Your** direction, and under **Your** control.

OO. **Your Computer System** means a **Computer System**, over which **You** have direct operational control or that is under the direct operational control of a **Service Provider**.

VI. LIMITS OF LIABILITY

A. The policy aggregate limit indicated in Item 1.A. of the Declarations is the most **We** will pay in the aggregate under this Policy, under all coverages combined, for all **Damages**, **Claim Expenses**, **Crisis Management Costs,** and **Breach Response Costs**, regardless of the number of **Claims**, **Security Breaches** or **Cyber Extortion Threats**.

B. If any single **Claim** is covered under more than one Coverage, the highest applicable sublimit of liability is the most **We** will pay as to such **Claim,** and such **Claim** shall be subject to the highest applicable Retention.

VII. RETENTIONS

The Retention for each Coverage is stated in Item 2. of the Declarations. **We** will only pay **Damages, Claim Expenses**, **Crisis Management Costs**, and **Breach Response Costs,** in excess of any applicable Retention amount set forth in Item 2. of the Declarations. Such Retention(s) must be paid by **You** and cannot be insured.

If a **Claim**, **Security Breach** or **Cyber Extortion Threat** is covered under more than one Coverage, the single highest Retention shall be the only one applicable.

VIII. EXTENDED REPORTING PERIOD

A. Basic **Extended Reporting Period**: In the event of cancellation or non-renewal of this Policy by **You** or **Us**, an **Extended Reporting Period** of thirty (30) days immediately following such cancellation or non-renewal shall be automatically granted hereunder at no additional premium. Such **Extended Reporting Period** shall cover **Claims** first made and reported to **Us** during such thirty (30) day **Extended Reporting Period** but only in respect of any act, error, or omission committed prior to the date of cancellation or non-renewal, and subject to all other terms, conditions, and exclusions of this Policy. No **Claim** in such thirty (30) day **Extended Reported Period** shall be covered under this Policy if **You** are entitled to indemnity under any other insurance or would have been entitled to indemnity under such insurance but for the exhaustion thereof.

B. Optional **Extended Reporting Period**: In the event of cancellation or non-renewal of this Policy by **You** or **Us**, **You** shall have the right, upon payment in full and not proportionally or otherwise in part of the percentage of the annual premium shown below, to have issued an endorsement providing an optional **Extended Reporting Period** from the cancellation or non-renewal date, as below:

12 months – 100% of the annual premium shown in the Policy

24 months – 150% of the annual premium shown in the Policy

36 months – 200% of the annual premium shown in the Policy.

1. Such Optional **Extended Reporting Period** shall cover **Claims** made and reported to **Us** during this optional **Extended Reporting Period**, but only in respect of any **Claim** arising out of any act, error, or omission committed prior to the date of cancellation or non-renewal, and subject to all other terms, conditions, and exclusions of the Policy.
2. In order for **You** to invoke the Optional **Extended Reporting Period**, the payment of additional premium as stated in this provision must be paid to **Us** within thirty (30) days of the non-renewal or cancellation.
3. At the commencement of the Optional **Extended Reporting Period**, the entire premium shall be deemed fully earned, and in the event **You** terminate the optional **Extended Reporting Period** for whatever reason prior to its natural expiration, **We** will not be liable to return any premium paid for the optional **Extended Reporting Period**.

C. Terms and conditions of Basic and Optional **Extended Reporting Period**:

1. At renewal of this Policy, **Our** quotation of different premium, retention, or limit of indemnity or changes in policy language shall not constitute non-renewal by **Us** for the purposes of granting the Optional **Extended Reporting Period.**
2. The right to the **Extended Reporting Period** shall not be available to **You** where **We** cancel or non-renew due to non-payment of premium.
3. The limit of liability for the **Extended Reporting Period** shall be part of, and not in addition to, the limit of liability for the **Policy period**.
4. All notices and premium payments with respect to the **Extended Reporting Period** shall be directed to **Us** through the entity named in the Declarations.

IX. TERMS AND CONDITIONS

A. NOTICE

1. If any **Claim** is made against **You** during the **Policy period**, then as soon as practicable after any member of **Your Control Group** first becomes aware of such **Claim**, **You** must forward to **Us** through persons named in Item 5. of the Declarations every demand, notice, summons, or other process **You** or **Your** representative receive. In no event shall **We** be given notice of a **Claim** later than the end of the **Policy Period**, the end of the Basic or Optional **Extended Reporting Period** (if applicable), or thirty (30) days after the expiration date of the **Policy Period** in the case of **Claims** first made against **You** during the last thirty (30) days of the **Policy Period**.
2. If, during the **Policy period**, any member of **Your Control Group** first becomes aware of any **Circumstance, You** must give written notice to **Us** through persons named in Item 5. of the Declarations as soon as practicable during the **Policy period** of:

a. The specific details of the act, error, or omission that may give rise to a **Claim**;

b. The possible **Damages** which may result or have resulted from the act, error, or omission;

c. The facts by which **You** first became aware of the act, error, or omission; and

d. Any **Computer System** security and event logs which provide evidence of the act, error, or omission.

Any subsequent **Claim** made against **You** arising out of such act, error, or omission which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to **Us.**

3. If during the **Policy Period**, any member of **Your Control Group** first becomes aware of a **Security Breach** or **Covered Cause of Loss, You** must give written notice to **Us** through persons named in Item 5 of the Declarations as soon as practicable during the **Policy period.**

4. A **Claim** shall be considered to be reported to **Us** when notice is first given to **Us** through persons named in Item 5. of the Declarations or when notice of a wrongful act which might reasonably give rise to a **Claim** is first provided in compliance with IX.A.2. above.

5. If **You** report any **Claim** or request any payment under this Policy knowing such **Claim** or request to be false or fraudulent, as regards amounts or otherwise, this Policy shall become null and void and all coverage hereunder shall be forfeited.

6. Whenever coverage under this Policy would be lost because of non-compliance with Section IX.A.1. relating to the giving of notice of **Claim** to **Us** with respect to which any other of **You** shall be in default solely because of the failure to give such notice, or concealment of such failure by one or more of **You** responsible for the loss or damage otherwise insured hereunder, then **We** agree that such insurance as would otherwise be afforded under this Policy shall cover and be paid with respect to those of **You** who did not personally commit or personally participate in committing or personally acquiesce in such failure to give notice, provided that those of **You** entitled to the benefit of this provision under Section IX.A.1. have complied with such condition promptly after obtaining knowledge of the failure of any others of **You** to comply therewith, and any such **Claim** was reported during the **Policy period** or **Extended Reporting Period**, if applicable.

However, such insurance as afforded by this provision shall not cover a **Claim** against **Your Organization** if a current principal, partner, director, or officer failed to give notice as required by Section IX.A.. for a **Claim** against **Your Organization** arising from acts, errors, or omissions that were known to a current principal, partner, director, or officer.

B. ASSISTANCE AND COOPERATION

1. **You** shall cooperate with **Us** in all investigations. **You** shall execute or cause to be executed all papers and render all assistance as requested by **Us.** Part of this assistance may require **You** to provide soft copies of **Your** system security and event logs.

2. Upon **Our** request, **You** shall assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to **You** because of acts, errors, or omissions with respect to which insurance is afforded under this Policy; and **You** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

3. **You** shall not admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment or award, or dispose of any **Claim** without **Our** written consent, unless otherwise provided under Section II., in the definition of **Breach Response Costs**

4. As soon as practicable after **You** give **Us** notice of any **Claim**, **Circumstance**, or **Security Breach**, **You** must also give **Us** copies of reports, photographs, investigations, pleadings, and all other papers in connection therewith, including allowing **Us** to question **You** under oath at such times as may be reasonably required regarding **Your Organization's** books, records, and any other matters relating to such **Security Breach,** or **Claim**.

5. In the event of a **Security Breach**, **You** must take all reasonable steps to protect **Computer Systems** and personally identifiable, non-public information from further access, disclosure, loss, or damage.

C. SUBROGATION

In the event of any payment under this Policy, **You** agree to give us the right to any subrogation and recovery to the extent of **Our** payments. **You** agree to execute all papers required and do everything that is reasonably necessary to secure these rights to enable us to bring suit in **Your** name. **You** agree to fully cooperate in **Our** prosecution of that suit. **You** agree not to take any action that could impair **Our** right of subrogation without **Our** written consent whether or not **You** have incurred any un-reimbursed payment. Any recoveries shall be applied first to subrogation expenses, second to **Damages,** and **Claim Expenses** paid by **Us**, and third to the Retention. Any additional amounts recovered shall be paid to **You**.

D. ACTION AGAINST US

No action shall lie against **Us** or **Our** representatives unless, as a condition precedent thereto: (1) there shall have been full compliance with all terms of this insurance; and, (2) until the amount of **Your** obligation to pay shall have been finally determined either by judgment or award against **You** after trial, regulatory proceeding, arbitration, or by written agreement between **You**, the claimant, and **Us.**

Any person or organization or the legal representative thereof who has secured such judgment, award, or written agreement shall thereafter be entitled to make a claim under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have the right under this Policy to join **Us** as a party to an action or other proceeding against **You** to determine **Your** liability, nor shall **We** be impleaded by **You** or **Your** legal representative.

Your bankruptcy or insolvency shall not relieve **Us** of **Our** obligations hereunder.

E. CHOICE OF LAW

Any disputes involving this Policy shall be resolved applying the law designated in Item 8. of the Declarations.

F. ARBITRATION

1 Except as provided below, any dispute arising out of or relating to this Policy will be referred to a qualified mediator in a good faith effort to negotiate a resolution of the dispute, prior to the initiation of any litigation or other proceedings. In the event mediation cannot resolve the dispute, any dispute arising out of or in connection with this Policy, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the LCIA Rules, which rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be three. The seat, or legal place, of arbitration shall be London.

G. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Contract has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Contract but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

H. OTHER INSURANCE

This insurance shall apply in excess of any other valid and collectible insurance available to **You**, including any retention or retention portion thereof, unless such other insurance is written only as specific excess insurance over the Limit of Liability of this Policy.

I. ENTIRE AGREEMENT

By acceptance of the Policy, **You** agree that this Policy embodies all agreements between **You** and **Us** relating to this insurance. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or stop **Us** from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy signed by **Us**.

J. NEW SUBSIDIARIES/CHANGES IN NAMED ASSURED OR YOUR ORGANISATION

1. During the **Policy period**, if **You** acquire another corporation whose annual revenues are more than fifteen percent (15%) of **Your Organisation's** annual revenues as set forth in its most recent audited financial statements there shall be no coverage under this Policy for acts, errors, or omissions committed or allegedly committed by the newly acquired **Subsidiary** unless **You** give **Us** written notice of the acquisition containing full details thereof, and **We** have agreed to

add coverage for the newly acquired **Subsidiary** upon such terms, conditions, and limitations of coverage and such additional premium as **We**, in **Our** sole discretion, may require.

2. During the **Policy period**, if the **Named Assured** consolidates or merges with or is acquired by another entity, or sells substantially all of its assets to another entity, or a receiver, conservator, trustee, liquidator, or rehabilitator, or any similar official is appointed for or with respect to the **Named Assured**, then all coverage under this Policy shall continue to the expiration of the **Policy period** but only for losses, acts, errors, or omissions that occurred prior to the date of such consolidation, merger or appointment.

3. Should a corporation cease to be a **Subsidiary** after the inception date of this Policy, coverage with respect to such corporation shall continue as if it was still a **Subsidiary** until the expiration date of this policy, but only with respect to a **Claim** that arises out of any act, error, or omission committed such corporation prior to the date that it ceased to be a **Subsidiary**.

4. All notices and premium payments made under this paragraph shall be directed to **Us** through the entity named in the Policy.

K. ASSIGNMENT

Your interest under this Policy may not be assigned to any other person or organisation, whether by operation of law or otherwise, without **Our** written consent. If **You** shall die or be adjudged incompetent, such insurance shall cover **Your** legal representative as **You** as would be covered under this Policy.

L. CANCELLATION

1. This Policy may be cancelled by **You**, by surrender thereof to **Us** or by posting to **Us** through the entity named in Item 6. of the Declarations, written notice stating when the cancellation shall be effective.

2. This Policy may be cancelled by **Us** by posting to **You** at the address shown in the Declarations written notice stating when, not less than sixty (60) days thereafter, such cancellation shall be effective. However, if **We** cancel this Policy because **You** have failed to pay a premium when due, this Policy may be cancelled by **Us** by posting a written notice of cancellation to **You** at the address shown in the Declarations stating when, not less than ten (10) days thereafter, such cancellation shall be effective. Mailing of notice shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy period**. Delivery (where permitted by law) of such written notice either by **You** or by **Us** shall be equivalent of mailing.

3. If **You** cancel this Policy, the earned premium shall be computed in accordance with the Lloyd's short rate table and procedure, provided that the premium shall be deemed fully earned if any **Claim** has been notified to **Us** under this Policy. In that event, **We** agree that the Policy will not be cancelled midterm solely on the basis of any valid **Claim** notified to **Us**.

4. If **We** cancel this Policy prior to any **Covered Cause of Loss, Claim,** or **Security Breach** being reported under this Policy, the earned premium shall be computed pro rata. The premium shall be deemed fully earned if any **Loss, Claim** or **Security Breach** under this Policy is reported to **Us** on or before the date of cancellation.

5. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

M. WORDS AND TITLES OF PARAGRAPHS

The titles of paragraphs, section, provisions, or endorsements of or to this Policy are intended solely for convenience and reference, are not deemed in any way to limit or expand the provisions to which they relate, and are not part of the Policy. Whenever the singular form of a word is used herein, the same shall include the plural when required by context.

N. NAMED ASSURED AUTHORIZATION

The Named Assured first specified in Insured on the Declarations has the right and duty to act on **Your** behalf for:

1. The giving and receiving of notice of cancellation;
2. The payment of premiums, including additional premiums;
3. The receiving of any return premiums;
4. The acceptance of any endorsements added after the effective date of coverage;

5. The payment of any Retentions;
6. The receiving of any **Loss** payments; and
7. Otherwise corresponding with **Us**.

O. WARRANTY BY YOU

By acceptance of this Policy, **You** agree that the statements contained in the **Application**, any **Application** for coverage of which this Policy is a renewal, and any supplemental materials submitted therewith, are **Your** agreements and representations, that they shall be deemed material to the risk assumed by **Us**, and that this Policy is issued in reliance upon the truth thereof.

The misrepresentation or non-disclosure of any matter by **You** or **Your** agent in the **Application**, any **Application** for coverage of which this Policy is a renewal, or any supplemental materials submitted therewith will render the Policy null and void and relieve **Us** from all liability under the Policy.

The **Application** and any **Application** for coverage of which this Policy is a renewal, and any supplemental materials submitted therewith, are deemed incorporated into and made a part of this Policy.

P. CHANGES IN OPERATIONS

You agree to notify **Us** of any significant changes to **Your** operations and activities. If these changes in operations or activities result in a substantial change to **Your** exposure, then **We** have the right to modify the coverage provided or make adjustments to the premium or rates charged for any coverage provided hereunder.

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Strata Legal Expenses Insurance

Strata Corporations in Canada operate against a backdrop of ever-evolving law and regulation made up of common law, Federal and Provincial Acts and Statutory Instruments. This network of law is enforced through a complex system of Federal and Provincial courts and administrative tribunals.

Legal Expenses insurance arms Strata Corporations with access to top-quality legal advice and the financial security to pursue or defend the legal rights of the business, its directors and employees.

Benefits of Legal Expenses Insurance

Legal advice
Free and unlimited access to a legal advice service providing general advice on legal issues relating to the running of the Strata.

Extensive Coverage[*]
Protection against the costs of legal representation, court fees and other associated expenses, including opponents costs if ordered – which can quickly add up – in a range of legal disputes common to Strata Corporations:

Debt Recovery
The pursuit of a demand for payment of an invoice which has not been settled.

Property Disputes
The pursuit of a claim for financial losses following a nuisance, trespass or physical damage to the common areas of the Strata.

Personal Injury
The pursuit of a claim arising from an injury to an employee sustained while on the business of the Strata and away from the Strata itself.

Civil Defence
The defence of a claim alleging a failure to comply with privacy legislation, against the Strata Corporation in the capacity of pension trustee or an appeal against a statutory notice adversely affecting the Strata Corporation.

Contract Disputes
The pursuit or defence of dispute with a third party arising from a contract for the supply of goods or provision of services.

Defence of Disputes with Owners
The defence of a claim by an individual unit owner alleging a failure to comply with the Strata by-laws or regulations.

Criminal Defence
The defence of a formal investigation or prosecution against the Strata Corporation.

Coverage Features
Policies provide coverage for disputes subject to the law and jurisdiction of the Courts of Canada provided there are reasonable prospects of a successful pursuit, defence or mitigation of loss.

Policy limits up to $250,000 any one claim.

[*] The description of coverage contained in this document is a summary and is for illustrative purposes only. The coverage is subject to terms and conditions outlined and certain restrictions, limitations and exclusions contained in the policy of insurance. In the event of any conflict between the descriptions of coverage in this document and the policy of insurance, the provisions contained in the policy of insurance will prevail.

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Victoria, BC V8Z 3E9
Canada

250-386-1454
www.ajg.com/ca

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Claims Examples

Dispute with a Unit Owner

An insured Strata suffered water damage to the common areas resulting in financial losses of $70,000 to the Strata because of the deductible applicable to claims for water damage under the Strata's property insurance policy. The water originated from an individual unit and the Strata Council believed that the unit owner had not taken adequate care to maintain the pipework in his unit. The unit owner denied responsibility. The insured was covered by the Legal Expenses policy to take advice, and assert a claim against the unit owner to recover its financial losses. When the unit owner continued to deny responsibility, alleging that the Strata bylaws were ambiguous as to the circumstances in which the Strata could recover the insurance deductible, the insured issued proceedings and successfully obtained a judgment against the unit owner. The policyholder's legal costs of $20,000 were covered by the policy.

Contract Dispute with a Maintenance Contractor

A Strata Corporation engaged a contractor to carry out maintenance work on the central heating system in the common areas of the Strata. After having paid the contractor, and on a subsequent inspection, it was discovered that the central heating system continued to have faults which were meant to have been resolved during the maintenance work. The contractor denied responsibility and refused to re-attend the Strata to resolve the issues, forcing the Strata Council to appoint an alternative contractor. The Strata Council was insured by the Legal Expenses policy to appoint a lawyer to pursue a claim for a breach of the terms of the maintenance contract and to recover the additional costs of appointing the alternative contractor from the original contractor.

Personal Injury

A Strata Council officer was on her way to an offsite meeting when she fell down a flight of stairs with a faulty hand railing. The officer suffered multiple injuries and an extended recovery period kept her away from her duties. The Council officer contacted the Legal Advice service for advice on her legal rights, which recommended pursuing a liability claim against the property's insurer. The appointed lawyer successfully negotiated a settlement of $100,000. Because the legal fees associated with the claim were covered by the Legal Expenses policy, the Council officer did not have to retain her own lawyer on a contingency fee arrangement (CFA) and was able to keep 100% of the settlement amount. Under a typical CFA arrangement, the Council officer would have paid around $30,000 of the settlement to her lawyer.

Legal Advice Service

A Strata manager was asked by a contractor to agree to a liquidated damages clause in a contact. The insured was unsure of the implications so contacted the legal advice service. A lawyer provided general advice on the issues raised, allowing the insured to enter the contract with confidence.

An insured Strata was incorrectly named in a legal letter received from a third party. The insured contacted the legal advice service who provided advice. The insured was removed from future correspondence.

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Commercial Legal Expense Insurance for Condominium/Strata Corporations

Policy of Insurance

LEGAL EXPENSE INSURANCE

PROMOTING JUSTICE,
REPAIRING INJUSTICE

At a Glance

Commercial Legal Expense Insurance for Condominium/Strata Corporations

Who is the Insured?

This policy provides cover to the corporation which is named as Insured on the Declarations. At the request of the Insured it can be extended to include cover for any director, officer, council member or similar office holders who are appointed or elected to that office, provided they were acting within the scope of their position and with respect to the Business Activity of the Insured.

What is the Business Activity?

This is management and maintenance of Condominium /Strata units by the Insured for the benefit of the owners.

Who is the Insurer?

This policy is underwritten by certain Lloyd's Underwriters, London, England and provided through your broker.

Telephone Legal Advisory Service

The Insurer will provide the Insured access to a legal information helpline through which the Insured can receive confidential general legal information over the phone and email relating to any to available coverage under the legal defence policy. The purpose of this legal information helpline is to provide the insured with access to legal input to help determine their legal rights and options under the laws of the applicable province and the federal laws of Canada [with the exception of Quebec].

The advice lawyer cannot provide case specific research or review documents.

The Insurer will provide this service between the hours of 8am and midnight, local time, 7 days a week. In addition, the Insurer will facilitate access to a lawyer twenty-four hours a day, 7 days a week, in emergency situations. Calls to this service may be recorded.

To contact this service call 1-800-804-9127 or email scor@dolden.com.

The Insurer will not accept responsibility if the advice service is unavailable for reasons outside of their control or the control of the insurer's legal counsel.

Insurance Cover Provided

Please refer to the Declarations page to verify which of the following Insuring Clauses have been purchased:

Basic Cover: this provides protection for the following matters a) Civil Defence; b) Criminal Defence; c) Personal Injury

Standard Cover: this provides protection for the following matters a) Civil Defence; b) Criminal Defence; c) Personal Injury; d) Property Disputes; and e) Defence of Disputes with Owners

Enhanced Cover: this provides protection for the following matters a) Civil Defence; b) Criminal Defence; c) Personal Injury; d) Property Disputes; e) Defence of Disputes with Owners; and f) Contract Disputes

The Policy Wording contains full details of cover including the specific exclusions for each Insuring Clause together with the General Exclusions which also apply.

How to make a Claim

As soon as the Insured is aware of any situation that might result in a claim they must report it immediately at legalexpense@ipgclaims.com. If the matter is an emergency then the Insured may report it by telephone at 416-933-3305.

The Insured will be assisted by qualified loss adjusters and legal professionals in determining an appropriate course of action. Any legal fees which the Insured incurs prior to consent being given by the Underwriting Manager will not be covered. Such consent will be given when it is determined that there are reasonable prospects of a successful defence or mitigation of loss or that there are reasonable prospects of recovery of damages or other remedy.

Selection of a Lawyer

The Insured may select a lawyer from the list of approved Panel Law Firms administered by the Underwriting Manager.

What Indemnity is provided by the Policy?

The Insurer will pay the legal fees, costs and disbursements of the lawyer (subject to the maximum hourly rate set out in the Declarations attached to the Policy of Insurance). The policy limit per claim and in the aggregate depend upon the level of cover purchased, and these policy limits are set out in the Declarations attached to the Policy of Insurance.

Content

The content on pages 2 and 3 contains only a summary of the principal terms and conditions of the Insurance Policy and does not form part of the Policy. In the event of any conflict between the description of coverage and the Policy, the Policy will govern. For full terms and conditions please read the Policy Wording at pages 4 onwards.

Commercial Legal Expense Insurance
For Condominium/Strata Corporations

Policy of Insurance

ALL PROVINCES AND TERRITORIES OF CANADA

Underwritten by certain Underwriters at

LLOYD'S

Commercial Legal Expense Insurance for Condominium/Strata Corporations

Agreement

The **Insurer** agrees to indemnify the **Insured**, to the extent specified in the Insuring Clauses, in connection with the **Business Activity** of the **Insured** in consideration of the **Premium** paid by the **Insured**, subject to the terms, conditions, exclusions and limitations in this Policy and its **Declarations**.

1. INSURING CLAUSES

The Insurer agrees to provide coverage only for those Insuring Clauses which are specified in the Declarations as being included.

1.1 CIVIL DEFENCE	
What is covered	**What is not covered**
The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in: **1.** The defence of any claim or legal proceedings relating to a failure or alleged failure to comply with requirements under protection of privacy legislation bought against the **Insured** by the **Owner**; 2. The defence of any claim or legal proceedings made or brought against the **Insured** in its capacity as trustee of a pension fund that benefits the **Insured's** employees; 3. Any appeal by the **Insured** against the imposition of a statutory notice which adversely affects the **Business Activity** of the **Insured**; Provided that: (i) such legal proceedings or appeal are made by or brought against the **Insured** within the **Territorial Limits** and arising from the **Business Activity** of the **Insured** and are notified to the **Underwriting Manager** during the **Policy Period.**	The **Insurer** shall not be liable to indemnify the **Insured** in respect of claims arising out of or in connection with the ownership, possession or use of any vehicle.

1.2 CRIMINAL DEFENCE	
What is covered	**What is not covered**
The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in defending the **Insured** against a formal investigation and/or prosecution arising from **Criminal or Statutory Proceedings** brought or commenced against the **Insured** within the **Territorial Limits** and arising from the **Business Activity** of the **Insured** provided that the prosecution is brought or commenced and notified to the **Underwriting Manager** during the **Policy Period**	The **Insurer** shall not be liable to indemnify the **Insured** in respect of any prosecution arising out of or in connection with: 1. The ownership possession or use of any vehicle; 2. Any prosecution, legislated investigation, tribunal and/or enquiry relating to any Municipal, Provincial, Federal or other Governmental tax matters pertaining to the **Insured's Business Activity**; 3. An allegation against the **Insured** involving: - assault, violence, fraud, conspiracy to defraud or dishonesty; - malicious falsehood; - the manufacture, dealing in or use of alcohol, illegal drugs, indecent or obscene materials; - illegal immigration; - money laundering or bribery offences and related charges.
1.3 PERSONAL INJURY	
What is covered	**What is not covered**
The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the pursuit of any claim or legal proceedings made by the **Insured** within the **Territorial Limits** and arising out of the **Business Activity** of the **Insured** arising from the act or omission by a third party which results in **Injury** to the **Insured**. Provided that: 1. the **Injury** was sustained by the **Insured** away from the **Insured**'s business premises and while engaged in the **Business Activity** of the **Insured** and within the **Territorial Limits;** and 2. the **Injury** occurs and is notified to the **Underwriting Manager** during the **Policy Period**.	

1.4 PROPERTY DISPUTES	
What is covered	**What is not covered**
The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the pursuit of any claim or legal proceedings brought or commenced by the **Insured** within the **Territorial Limits** and arising from the **Business Activity** of the **Insured** relating to: 1. nuisance or trespass to **Common Property**; 2. disputes following physical damage to **Common Property**. Provided that: 1. the **Insured** will suffer financial loss if it fails to pursue the claim or legal proceedings; and 2. the claim is made by the **Insured** and is notified to the **Underwriting Manager** during the **Policy Period**.	The **Insurer** shall not be liable to indemnify the **Insured** in respect of any claim or legal proceedings arising out of or in connection with any dispute: 1. concerning **Common Property** relating to mining, subsidence or heave whatever the cause of such mining, subsidence or heave; 2. arising out of or in connection with a contract entered into by the **Insured**; 3. relating to the payment or non-payment or review of rent or service charges; 4. relating to planning or building regulations or decisions, expropriation or compulsory purchase orders; 5. Relating to the renewal of a lease or other contract to use the **Common Property**.
1.5 DEFENCE OF DISPUTES WITH OWNERS	
What is covered	**What is not covered**
The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the defence of any claim or legal proceedings brought by an **Owner** against the **Insured** relating to a failure or alleged failure by the **Insured** to comply with the **Insured**'s by-laws and/or regulations.	The **Insurer** shall not be liable to indemnify the **Insured** in respect of claims arising out of or in connection with any dispute relating to the payment or non-payment of any fee or charges owed by the **Owner** to the **Insured**.
1.6 CONTRACT DISPUTES	
What is covered	**What is not covered**
The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the pursuit or defence of any claim or legal proceedings made by or brought against the **Insured** within the **Territorial Limits** and arising from the **Business Activity** of the **Insured** in a dispute with a **Contracting Party** arising out of a **Contract for Services** obtained or the	The **Insurer** shall not be liable to indemnify the **Insured** in respect of claims arising out of or in connection with: A. Contracts: 1. performed outside the **Territorial Limits**; 2. entered into prior to the **Retroactive Date** when the dispute occurs during the ninety (90) day period immediately

sale, purchase, lease or rental of any **Goods**.

Provided that:

1. the indemnity for **Legal Expenses** incurred under this clause shall not exceed 75% of the **Sum in Dispute**;
2. the amount in dispute exceeds the **Minimum Sum in Dispute**;
3. where the dispute relates to monies owed to the **Insured** notification of the claim to the **Underwriting Manager** shall be made at the sooner of:
   (a) 30 days from the date at which the debt is contested, or
   (b) 90 days from the **Due Date** provided that all reasonable attempts have been made to recover the money owed or negotiate a reasonable settlement within those 90 days; and
4. the claim is or legal proceedings are made by or brought against the **Insured** and are notified to the **Underwriting Manager** during the **Policy Period**.

following the initial inception date of this policy;

3. for the provision or procurement of insurance, credit, secured lending, or guarantee;
4. where the liability of the **Insured** or the right of recovery is incurred through an agent or by assignment or subrogation;
5. where the dispute arising from the contract relates to the collection of any outstanding amount receivable owed to the **Insured** by a third party for any goods or service provided, except where there is a dispute involving the liability to pay by the third party;
6. of employment;
7. for the possession, purchase, sale or use of **Common Property**;
8. in connection with or related to a franchise;
9. for the ownership, sale, lease, rental or use of any vehicle;
10. relating to the planning, construction, structural alteration, conversion or extension of **Property** or parts thereof, other than non-structural repair to or renovation of existing **Property** or parts thereof;
11. containing an arbitration clause.

B Breach or alleged breach of **Professional Duty** owed to or by the **Insured**.

2. LIMIT OF INDEMNITY

The **Insurer's** total liability under this Policy shall not exceed the amounts specified in the **Declarations** for 1 and 2 below:

1. **Any One Claim**;

2. in the aggregate for all claims notified to the **Underwriting Manager** during the **Policy Period**

3. EXCESS

The **Insurer** shall only be liable under this Policy to the extent that such liability exceeds the **Excess** as specified in the **Declarations**. A separate **Excess** shall apply to **Any One Claim**.

4. CO-INSURANCE

The **Insured** shall be liable in respect of claims for indemnity under all Insuring Clauses of this Policy for the proportion of **Legal Expenses** over and above the **amount** as specified in the **Declarations** under the heading **Co-Insurance**.

5. EXCLUSIONS - These apply to all Insuring Clauses

The **Insurer** shall not have any liability under this Policy in respect of:

1. the defence of the **Insured** in civil legal proceedings arising from or connected with:

   (a) death or injury to any person including (without limitation) any sickness, disease or any naturally occurring condition or degenerative process;
   (b) loss destruction or damage to property owned, occupied or under the control of a third party;
   (c) alleged breach of **Professional Duty**;
   (d) any tortious liability save as specifically provided in Insuring Clause 1.4 (Property Disputes);

2. any claims related to patents, copyrights, design rights, moral rights, confidential information, other intellectual property rights, trade or service marks or registered designs, trade secrets or passing off actions;

3. any claim arising out of defamation or alleged defamation;

4. any claim made, brought or commenced outside the **Territorial Limits**;

5. **Legal Expenses** incurred before the **Underwriting Manager's** consent has been granted in writing or without such consent;

6. **a**ny claim relating to or arising from any cause, event or circumstance occurring prior to the **Retroactive Date** specified in the **Declarations**;

7. any claim in connection with or arising from any cause, event or circumstance occurring prior to or existing at inception of the Policy and which the **Insured** knew or ought

reasonably to have known might give rise to a claim or legal proceedings by or against the **Insured**;

8. awards and/or demands of compensation, repayment, damages, liability, surcharge levies, interest, fines or penalties of any nature including but not limited to those which the **Insured** is ordered to pay by any relevant court, board, commission or other tribunal or administrative body;

9. any claim or legal proceedings in respect of which the **Insured** is, but for the existence of this Policy, entitled to indemnity under any other insurance policy or certificate or if the **Insured** is eligible for legal representation from a provincial legal aid plan;

10. any claim or legal proceedings in respect of which the **Insured** is entitled to indemnity under any policy or certificate which the **Insured** is required to hold by law or by a regulatory body;

11. any claim arising out of the deliberate, conscious or intentional or reckless or negligent disregard by the **Insured** of the need to take all reasonable steps to avoid and prevent claims or legal proceedings. In this context, "reasonable" shall be assessed by the standards of a reasonable person carrying on the **Business Activity** of the **Insured**;

12. any costs which the **Insured** may be ordered to pay by a court or tribunal adjudicating on **Criminal or Statutory Proceedings**;

13. any dispute with government or local authority departments concerning the imposition of regulatory or statutory charges, fees and levies;

14. any dispute between the **Insured** and any parent, subsidiary or associated company, or partner;

15. any dispute between the **Insured**, and the **Insurer**, and/or the **Underwriting Manager**, and/or the **Coverholder**, and/or the **Lawyer**;

16. any dispute relating to or in connection with any franchise agreement;

17. any **Legal Expenses** in connection with the pursuit of an appeal or judicial review;

18. any claims or legal proceedings (including any **Legal Expenses** or other costs or expenses of any description) arising out of or in connection with:

    (a) war (whether declared or not), invasion, acts of a foreign enemy, hostilities, or any similar act, condition or warlike operation, warlike action by a regular or irregular military force or other authority to hinder or defend against an actual or expected attack;

    (b) insurrection, rebellion, revolution, riot, attempt to usurp power, popular uprising, or any action taken by any governmental or martial authority in hindering or defending against any of these;

    (c) discharge, explosion, or use of a weapon of mass destruction, whether or not employing nuclear fission or fusion, or chemical, biological, radioactive or similar agents, by any party at any time for any reason;

19. any claims or legal proceedings (including any **Legal Expenses** or other costs or expenses of any description) arising out of or in connection with any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action. If the **Insurer** alleges that by reason of this exclusion any liability or loss is not covered by this Policy, the burden of proving the contrary shall be upon the **Insured**;

20. any claims or legal proceedings (including any **Legal Expenses** or other costs or expenses of any description) arising out of or in connection with any pollution, seepage, discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to, smoke, vapours, soot, dust, fibres, fungi, mould, fumes, acids, alkalis, chemicals and waste (including but not limited to material to be recycled, reconditioned or reclaimed) or contamination of any kind; or ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; or radioactive, toxic, explosive or other hazardous properties of any explosive.

6. CONDITIONS

6.1 Cancellation

This Policy may be cancelled at any time on the instruction of the **Insured** in writing to the **Coverholder** and the premium shall be adjusted on the basis of the **Insurer** receiving or retaining short-term premium on the following basis:

Over 9 months unexpired **Policy Period**	-	50%
Over 6 months unexpired **Policy Period**	-	75%
Over 3 months unexpired **Policy Period**	-	90%
Less than 3 months unexpired **Policy Period**	-	100%

This Policy may also be cancelled by the **Insurer** on giving 30 days' notice in writing to the **Insured** via the **Coverholder** and the premium shall be adjusted on the basis of the **Insurer** receiving or retaining pro rata premium.

If the **Insured** is placed in liquidation, receivership or administration or adjudicated bankruptcy or if any court application is made or meeting convened for any such purpose, this Policy will lapse on the happening of that event and the **Insured** shall be entitled to pro rata return of premium.

Cancellation under this condition shall not prejudice the rights of the **Insured** in respect of any cause, event or circumstance which has been notified to and consent granted by the **Underwriting Manager** during the **Period of Insurance,** provided that no return of premium shall be allowed if the **Insured** has notified a claim which has been or is subsequently accepted under this Policy.

Cover under this Policy can be terminated by the **Insurer** with immediate effect upon the **Insured** acting fraudulently and/or dishonestly or for failing to consistently comply with the terms and conditions of cover such as to cause prejudice to the **Insurer**. In such circumstances no further cover will be provided for any claim that may have been notified and/or accepted under this Policy.

6.2 Notification

It is a condition precedent to the **Insurer's** liability under this Policy that the **Underwriting Manager** must be notified in writing immediately the **Insured** is aware of any cause, event or circumstance which has given rise or may give rise to a claim or legal proceedings involving the **Insured** as soon as that cause event or circumstance shall come to the attention of the **Insured**.

In the event that the **Underwriting Manager** is notified during the **Policy Period** of any cause event or circumstance which in the **Underwriting Manager's** reasonable opinion is likely to give rise to a claim or legal proceedings then any subsequent claim or legal proceedings which arises directly from that cause, event or circumstance shall be deemed to have been made during the **Policy Period**.

On receipt of the **Insured's** notification, the **Underwriting Manager** will forward to the **Insured** a claim form which must be completed and returned immediately.

6.3 Underwriting Manager's Consent

It is a condition precedent to the **Insurer's** liability under this Policy that the **Underwriting Manager's** consent to incur **Legal Expenses** must first be obtained in writing. This consent will be given by the **Underwriting Manager** if the **Insured** can satisfy the **Underwriting Manager** that it is reasonable to incur **Legal Expenses** and:

1. there are in the view of the **Underwriting Manager** reasonable prospects of a successful defence or mitigation of the **Insured'**s loss;

2. in Criminal Defence claims where the **Insured** pleads guilty, there is in the view of the **Underwriting Manager** a reasonable prospect of a significant mitigation of the **Insured's** sentence or fine; or

3. there are in the view of the **Underwriting Manager** reasonable prospects of a recovery of damages or other remedy.

In making this decision the **Underwriting Manager** will have regard (without limitation) to:

- the advice received by the **Underwriting Manager** concerning the merits of the **Insured's** case;
- the **Insured's** prospects of securing and enforcing any judgement;
- the amount of money in dispute in relation to the **Legal Expenses** likely to be incurred;
- the alternative methods available for protecting the **Insured's** interests.

The decision to grant or withhold consent will be based on the consideration of the opinion of the **Lawyer** and any other adviser the **Underwriting Manager** may deem it necessary to consult.

The **Underwriting Manager** at its discretion may require the **Insured** to participate in mediation or other forms of dispute resolution and provide assistance in settling disputes, the cost of which will be covered under this Policy subject to all other terms, conditions and limitations of this Policy.

The **Underwriting Manager** at its discretion may require the **Insured** to obtain an opinion from counsel or obtain an expert's report at the **Insured's** expense as to the merits of a claim or legal proceedings which must have regard to the same criteria as required by the **Underwriting**

Manager. If that opinion indicates there are reasonable prospects, the **Insurer** will pay for the cost of the opinion within the Limit of Indemnity for that claim.

When the **Underwriting Manager** grants consent, the **Insurer** agrees to provide indemnity to the **Insured** within the terms, conditions, limitations, provisos and exclusions of this Policy. Such consent does not imply that all **Legal Expenses** shall be paid but only those which the **Underwriting Manager** has expressly agreed to.

If after consent has been granted by the **Underwriting Manager** it becomes apparent to the **Underwriting Manager** that the claim falls outside the terms, conditions, limitations, provisos and exclusions of the Policy such consent shall be withdrawn and no indemnity provided.

If after consent has been granted by the **Underwriting Manager** it ceases to be reasonable in the view of the **Underwriting Manager** to incur **Legal Expenses**, the **Underwriting Manager** may withdraw consent. **Legal Expenses** incurred up until that time will continue to be indemnified by the **Insurer**.

Notwithstanding any general consent granted, the **Insurer** limits its liability to the payment of **Legal Expenses** incurred solely for the purpose of indemnifying the **Insured** in respect of the claim or legal proceedings to which consent has been granted. **Legal Expenses** incurred for the routine presentation or administration of the **Insured's** affairs or expenses which would have been incurred in the normal course of the **Insured's Business Activity** shall fall outside the indemnity provided under this Policy.

If the **Insured** elects to proceed with the pursuit or defence of a claim or legal proceedings to which consent has not been granted by the **Underwriting Manager** because there are not reasonable prospects and the **Insured** is successful in such a pursuit or defence, then **the Insurer** agrees to pay those **Legal Expenses** incurred after the **Underwriting Manager** refused consent subject to the terms, conditions and limitations of this Policy.

For the purposes of this clause, success shall mean a cost order or agreement to pay over 50% of incurred costs in favour of the **Insured** or an acquittal of the **Insured.**

6.4 Conduct of a Claim

(i) Choice of **Lawyer**

Where it is necessary that the **Insured** has recourse to a lawyer, the **Insured** may select **the Lawyer** only from the list of approved law firms, as amended from time to time, which shall be provided by the **Underwriting Manager** to the **Insured** upon request. In all cases the **Lawyer** shall be appointed to act in the name and on behalf of the **Insured** in any claim or legal proceedings to which the **Underwriting Manager** has given written consent. The **Lawyer** is not the agent of or employed by the **Underwriting Manager** or the **Insurer**.

The **Insurer** shall only be responsible to pay the **Lawyer**'s normal hourly rate up to the **Fee Limit** set out in the **Declarations.** The **Insured** must pay the **Lawyer** any legal fees in excess of this amount. Any **Lawyer** the **Insured** chooses must disclose his or her chargeable rates and the rates of any staff.

(ii) Access to information

The **Underwriting Manager** is entitled to receive from the **Lawyer** any information, document or advice in connection with any claim or legal proceedings even if such material is legally privileged. On request the **Insured** will give to the **Lawyer** any instructions necessary to secure the required access.

(iii) Disclosure and co-operation

The **Insured** must give the **Lawyer** all necessary help and information including a complete truthful account of the facts of the case and all relevant documentary or other evidence in the **Insured's** possession. The **Insured** must search for, provide, obtain sign or execute all documents as required by the relevant court or tribunal rules or as recommended by the **Lawyer** and attend all meetings or conferences as requested. Cover may be withdrawn if the **Insured** fails to co-operate at all or within a reasonable time with the **Lawyer's** request.

(iv) Payment of **Legal Expenses**

All invoices relating to a claim that the **Insured** receives from the **Lawyer** should be forwarded to the **Underwriting Manager** immediately. If the **Underwriting Manager** so requires, the **Insured** must ask the **Lawyer** to submit their bill of costs for taxation or assessment by the appropriate Law Society, governing body or court.

The **Insured** shall be responsible for the payment of **Legal Expenses** invoices. The **Insurer** will, however, settle these directly with the **Lawyer** if requested to do so by the **Insured**. All invoices must be certified by the **Underwriting Manager** to the effect that all charges have been properly incurred and this will be deemed authority for the **Insurer** to settle the invoice directly with the **Lawyer**.

Only invoices in respect of **Legal Expenses** incurred with the consent of the **Underwriting Manager** and in the amount agreed with the **Underwriting Manager** shall be paid. The **Insured** shall personally pay the **Lawyer** the portion of **Legal Expenses** to be bourne by the **Insured** as the **Excess**, and/or **Co-Insurance** and in excess of the **Limit of Indemnity** pursuant to this Policy.

(v) Instruction of counsel and experts

Where the **Lawyer** wishes to obtain the opinion of or instruct other counsel or experts, it must provide its reasons and seek and receive the prior written consent of the **Underwriting Manager**.

6.5 Settlement

It is a condition precedent to the **Insurer's** liability under this Policy that the **Insured** informs the **Underwriting Manager** in writing as soon as the **Insured** receives a payment into court, an offer to settle a claim or legal proceedings or an invitation to participate in a mediation or other form of dispute resolution. The **Insured** must not agree to settle any claim without the prior written consent of the **Underwriting Manager** which will not be unreasonably withheld or delayed. If the **Insured** rejects any offer to settle a claim by way of payment into court or otherwise which the **Underwriting Manager** considers reasonable and recommends acceptance of, then no further indemnity will be provided by the **Insurer** from the date of rejection by the **Insured**.

6.6 Minimizing Costs

The **Insured** must take all reasonable measures to minimize the costs of any claim under this Policy including but not limited to pursuing settlement negotiations and must consider all reasonable settlement offers.

6.7 Recovery of Costs

Whenever the **Insured** is awarded costs or costs are included under the terms of any settlement, those costs are to be repaid to the **Insurer**. In every claim the **Insured** and the **Lawyer** shall make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement, the **Insured** agrees that the **Lawyer's** appraisal of a fair and reasonable proportion of that settlement will be deemed costs and shall be due to the **Insurer**.

6.8 Dishonest and fraudulent claims

If the **Insured** makes any claim under this Policy (or has made a claim under any other or previous Policy) which the **Insured** knows or ought to know to be false or fraudulent in any way, this Policy shall be cancelled ab initio and all rights of the **Insured** under this Policy including the premium shall be forfeit. The Insurer shall be entitled to recover any **Legal Expenses** previously paid.

6.9 Insolvency or liquidation of the Insured

If the **Insured** becomes insolvent or bankrupt within the meaning of the Bankruptcy Act (Canada) or had property seized or attached in satisfaction of a judgement, had a receiver appointed, or taken action (if a corporation) with a view to winding up, dissolution or liquidation during the course of any claim or legal proceedings any consent previously given shall automatically be withdrawn unless expressly agreed in writing to the contrary by the **Underwriting Manager**.

6.10 Provincial Sales Tax (PST) and/or Goods and Services Tax (GST) and/or Harmonized Sales Tax (HST)

If the **Insured** is registered for PST and/or GST and/or HST, the **Insurer** will not be liable to indemnify the **Insured** for the PST and/or GST and/or HST element of any **Legal Expenses** invoices.

6.11 Premium

The **Premium** payable hereunder is calculated by reference to the number of residential units managed and maintained by the **Insured**.

(i) The **Insured** undertakes that the **Premium** and applicable taxes will be paid in full to the **Coverholder** within thirty days of inception of this Policy (or, in respect of instalment premiums, when due).

(ii) If the **Premium** has not been so paid to the **Coverholder** by the thirtieth day from the inception of this Policy the **Insurer** shall have the right to cancel this Policy by notifying the **Insured** in writing via the **Coverholder**. In the event of cancellation, **Premium** is due to the **Insurer** on a pro rata basis for the period that the **Insurer** is on risk but the full **Premium** shall be payable to the **Insurer** in the event of a notification prior to the date of termination which gives rise to a claim under this Policy.

(iii) It is agreed that the **Insurer** shall give not less than 15 days prior notice of cancellation to the **Insured**. If the **Premium** due is paid in full to the **Insurer** before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

7. GOVERNING LAW

This Policy shall be governed by and construed in accordance with the laws of Canada. Any terms of this Policy which are in conflict with the statutes of the province where the Policy is issued are amended to conform to such statutes.

8. INTERPRETATION

In this Policy:

(i) reference to any statute or statutory provision and orders or regulations thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;

(ii) reference to any statutory or other body shall include the successor to that body;

(iii) words importing the singular include the plural and vice versa and references to persons include bodies corporate or unincorporated. Words importing any gender shall include all genders;

(iv) if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall remain in full force and effect;

(v) the headings are for reference only and shall not be considered when determining the meaning of this Policy.

9. NOTIFICATIONS

All communications, documents or notices, other than in respect of claims, which this Policy requires the **Insured** to deliver, must be made to the **Coverholder** at the address stipulated in the **Declarations**.

In respect of claims under this Policy the **Insured** must contact and send all communications to the **Underwriting Manager**.

The **Insured** is deemed to have received all correspondence, documents and notices within four days of the date of mailing if sent in writing by ordinary mail to the address as last declared to the **Insurer** or in relation to any matters arising out of any claim or legal proceedings if sent to the **Lawyer**.

10. RESOLUTION OF DISPUTES

Any dispute between the **Insured** and the **Insurer** relating to the application or interpretation of this Policy which is not resolved by the parties within fifteen (15) days written notice thereof given by one party or the other shall be subject to mediation. In this event, the **Insured** and the **Insurer** will mutually agree on the nomination of a mediator or where such agreement is not made the **Insured** and the **Insurer** will request the court of competent jurisdiction to appoint a person to mediate the dispute. The **Insured** and the **Insurer** agree to co-operate with the mediator with the view to resolving the dispute. The **Insured** and the **Insure**r shall share the costs of the mediation services in equal proportions.

11. ARBITRATION

Any dispute that can not be resolved by mediation in accordance with Resolution of Disputes above may be submitted by either party to a single arbitrator who shall be either a lawyer agreed upon by the parties or, failing agreement, a person appointed by a judge of the Supreme Court (or equivalent) of the province or territory in which the **Insured** has its principal office. Such arbitration shall be governed by the arbitration legislation in force in the aforesaid province or territory. The decisions of the arbitrator shall be final and binding on the **Insured** and the **Insurer** and arbitration costs shall be paid in full by the party against whom the decision is made. If the decision is not clearly made against either party, the arbitrator shall have the power to apportion costs. If the decision is made in the **Insurer's** favour, no costs shall be recoverable by the **Insured** under this Policy.

12. DEFINITIONS

12.1 "**Any One Claim**" means all claims or legal proceedings arising from the same originating cause or series of events or occurrences attributable to one originating cause.

12.2 "**Application**" means the information form completed together with any additional information supplied by the **Insured** or on the **Insured's** behalf.

12.3 "**Business Activity**" means the management and maintenance of the **Common Property** and **Common Assets** of the **Insured** for the benefit of **Owners**.

12.4 **"Common Assets"** means personal property held by or on behalf of the **Insured** for the benefit of any **Owner**.

12.5 **"Common Property"** means land (including buildings thereon) or an interest in land **shown on a property plan that is not property of any Owner**.

12.6 **"Contract for Services"** means a contract made between the **Insured** and a **Contracting Party** whereby one of the parties provides a service in connection with the **Business Activity** to the other for monetary consideration.

12.7 "**Contracting Party**" means a company, firm or individual who has a direct contractual relationship with the **Insured**.

12.8 "**Coverholder**" means Arthur J. Gallagher Canada Limited, who are responsible for issuing and receiving any or all **Applications** and who provide the **Insured** with a policy of insurance as agreed by the **Insurer**.

12.9 "**Criminal or Statutory Proceedings**" means offences pursuant to the *Criminal Code (Canada)*, the *Controlled Drugs and Substances Act*, the *Food and Drugs Act (Canada)*, the *Occupational Health and Safety Act*, the *Environmental Protection Act* and the *Workplace Hazardous Materials Information Services Act*, and any other provincial, territorial or federal statutes or regulations which prescribe offences punishable on summary conviction or by indictment.

12.10 "**Due Date**" means the date on which monies owed to the **Insured** become due and payable.

12.112 "**Excess**" means the amount specified in the **Declarations** the **Insured** must bear in **Legal Expenses** in respect of **Any One Claim** before the **Insurer** is liable to provide any indemnity under this Policy.

12.12 "**Goods**" means tangible, moveable property and excluding interests or rights in **Common Property.**

12.13 "**Injury**" means bodily injury or death but does not mean any sickness, disease or naturally occurring condition or degenerative process.

12.14 "**Insured**" means the corporation named as **Insured** in the **Declarations** and who is insured under this Policy including jointly and severally at the **Insured's** request any director, officer, council members or similar office holders who are appointed or elected to that office pursuant to legislation applicable to the **Business Activity** of the **Insured** while acting on behalf of the **Insured** for acts within the scope of their position and only in so far as such acts relate to the **Business Activity** of the **Insured**.

12.15 "**Insurer**" means certain Lloyd's Underwriters, London, England.

12.16 "**Lawyer**" means the legal representative selected by the **Insured** and approved by the **Underwriting Manager**, who is on the list of approved law firms provided by the **Underwriting Manager**, to act in the name of and behalf of the **Insured** in accordance with the terms, conditions, limitations, provisos and exclusions of this Policy.

12.17 "**Legal Expenses**" means

(i) fees, expenses and disbursements including **Witness Attendance Allowance** and costs and expenses of expert witnesses reasonably incurred by the **Lawyer**, subject to the **Fee Limit** set out in the **Declarations**, with the **Underwriting Manager's** prior written consent;
(ii) all costs reasonably and properly incurred by the **Underwriting Manager** and the costs of providing the **Telephone Legal Advisory Service** to the **Insured**;
(iii) costs incurred by other parties to which the **Insured** is held liable in court or tribunal proceedings to pay or which the **Insured** agrees to pay with the **Underwriting Manager's** prior written consent but excluding any costs which the **Insured** may be ordered to pay by a court or tribunal adjudicating on **Criminal or Statutory Proceedings**.

12.18 "**Minimum Sum in Dispute**" means the amount specified in the **Declarations**.

12.19 "**Owner"** means a person or entity as more particularly defined under the relevant legislation pertaining to the management duties of the **Insured** and who is shown as the owner or leaseholder of a unit in the register of a land title office.

12.20 "**Policy Period** " means the period as specified in the **Declarations**.

12.21 "**Premium**" means the amount specified in the **Declarations**.

12.22 "**Professional Duty**" means contractual, tortious or fiduciary duties owed to or by the **Insured** to or by another company, partner, firm or individual or a director or employee thereof in connection with the provision of professional services or advice, for which there is a requirement to have professional indemnity insurance or an equivalent insurance providing indemnity in the event of a negligent act, error or omission.

12.23 "**Retroactive Date**" means the date specified in the **Declarations** after which the cause, event or circumstance giving rise to a claim or legal proceeding by or against the **Insured** must have occurred.

12.24 "**Sum in Dispute**" means the sum in dispute between the **Insured** and a **Contracting Party**.

12.25 **"Telephone Legal Advisory Service**" means the telephone advisory service stipulated in the **Declarations which can be used by the Insured**.

12.26 "**Territorial Limits**" means as specified in the **Declarations**.

12.27 **"Underwriting Manager**" means the company stipulated in the **Declarations** or appointed subsequently by the **Insurer** which is authorised to handle and administer claims under this Policy on the **Insurer's** behalf and to whom any notification of a claim must be made.

12.28 **Witness Attendance Allowance**" means costs not to exceed $250 per day or $2500.00 **Any One Claim** when any individual within the defined term of **Insured** is absent from work consequent upon attending a court or tribunal hearing of a claim to which the **Underwriting Manager** has given written consent under this Policy.