



December 1, 2020

Condominium Corporation No. 1710503  
c/o Barclay Street Real Estate Ltd.  
200, 407 - 8th Avenue SW  
Calgary, AB T2P 1E5

Attention: Theresa Llewellyn

Dear Theresa:

Policy No. BFL041710503

Please find enclosed documentation for the above noted policy, evidencing coverage in place effective November 30, 2020 to November 30, 2021.

Attached separately is the BFL Invoice in the amount of \$180,770.00 (Including Policy Service Fee) for your kind records.

We recommend that you review the policies enclosed very carefully. Should you find that the coverage set forth is not consistent with your instructions or if there are any errors or discrepancies, please advise us immediately.

*Please note that solely with respect to Starr Insurance & Reinsurance Limited's participation as a subscribing property insurer; the policy wording is amended as follows:*

*Property Insurance, Section 4 Extensions of Coverage, Subsection g. Declaration of Emergency has been amended. This changes the coverage offered under your policy. Please review it carefully and contact our office with any questions or concerns.*

As brokers, we are bound to remind you that insurance transactions between an Insured and an Insurer are based on good faith. To safeguard your insurance coverage and comply with policy conditions, you have an obligation, for the entire policy term, to promptly notify your Insurer of all changes relevant to the risk which might affect the Insurer's decisions as to coverage and premium. Please be aware that if you do not disclose all such information, Insurers may have the right to void the policy in its entirety, or sections thereof which may lead to claims not being covered. Please advise us of any material change so that we may notify your insurer accordingly.

Thank you for allowing BFL CANADA to be of service.

Yours sincerely,

**BFL CANADA Insurance Services Inc.**

Christina Applejohn CAIB  
Client Service Manager  
For: Sherry Bignell, Vice President, Client Executive  
Direct Line: 403-705-5361  
Email Address: [capplejohn@bflcanada.ca](mailto:capplejohn@bflcanada.ca)

SB/wa  
Enclosure



# CLAIMS PROCEDURES

**WORRY NO MORE WITH OUR STRESS FREE CLAIMS PROCESS.**



## PROPERTY CLAIMS, OTHER THAN GLASS

The property manager should secure as much information as is available: such as loss date & location, identity & coordinates of all parties involved, cause, nature & extent of damages, police case number, etc.

Emergency work should be initiated as soon as possible to mitigate loss, control damages and minimize impact on Owner(s) and occupants. Approved contractors should be used to ensure quality and service standards are met and costs are justified.

Claim should be reported as soon as possible directly to the BFL Claims Department by telephone in case of emergencies and/or facsimile or e-mail in other cases. Use of the "Insurance Claim Report" form, including management company reference number, form is highly recommended.

BFL Claims Department should be notified when initial contact is not made in a timely manner after a claim is reported (IE: within 24 hours).

All repair specifications, estimates and/or quotes should be forwarded to BFL Claims Department for records purposes and immediate delivery to the appropriate adjuster.

Invoices for repairs should normally not be paid by The Owners, except for distinct invoices in the amount of the applicable policy deductible. All other invoices should be forwarded to BFL Claims Department for records purposes, immediate delivery to the adjuster and direct payment to the contractor or trade.

Property managers, when required, should provide a duly completed Proof of Loss to the adjuster as soon as possible to help expedite claim settlement and issuance of cheques.



### Claims Concierge Services

Emergencies : 1-866-938-5691 / Office Hours : 1-866-669-9602  
realestateclaims@bflcanada.ca



# CLAIMS PROCEDURES

**OUR IN-HOUSE CLAIMS TEAM IS ALWAYS AT YOUR SIDE.**



## GLASS CLAIMS

The property manager should authorize repairs as soon as possible, making note of the date of loss, cause of loss, exact location and extent of damages. A completed "Insurance Claim Report" form and paid invoice to be forwarded to BFL Claims Department for refund, net of applicable policy deductible.

Note: a separate glass deductible is applicable to each occurrence.

## LIABILITY CLAIMS

All incidents should be recorded with all available information such as time and date of incident, exact location, identity & coordinates of all parties involved, nature and extent of damages if known, etc. Incidents should be reported to BFL Claims Department as soon as possible.

Any development, activity and/or documents related to an incident should be reported or dispatched as soon as possible to BFL Claims Department.

## LEGAL EXPENSES CLAIMS

The BFL CANADA exclusive Legal Protection Insurance Policy includes access to Telephone Legal Advice for building owners and property managers with regard to legal questions and problems affecting your residential tenancy. This service is available between 8 AM and midnight, local time, at 1-877-832-7534.

Alternatively, legal questions can be submitted in writing through a weblink:

<http://das.ca/Legal-Advice.aspx> or via E-mail [strata.questions@das.ca](mailto:strata.questions@das.ca)

In addition, the Legal Protection Insurance Policy also includes legal Defense Costs, Contract Dispute and Debt Recovery, Property Protection, Bodily Injury and Strata Council and Owner Disputes coverage for specified Insured Events, subject to policy terms and conditions. The BFL CANADA Claims team is available to discuss availability of the coverage at your convenience.



### Claims Concierge Services

Emergencies : 1-866-938-5691 / Office Hours : 1-866-669-9602  
[realestateclaims@bflcanada.ca](mailto:realestateclaims@bflcanada.ca)



# YOUR SERVICE TEAM SPECIALIST

**QUESTIONS REGARDING ANY ASPECT OF YOUR INSURANCE  
PROGRAM SHOULD BE DIRECTED TO YOUR SERVICE TEAM:**

**Sherry Bignell CAIB, CIP**

Vice President, Client Executive  
Direct Line: 403-398-2416  
Email: sbignell@bflcanada.ca

**Christina Applejohn CAIB**

Client Service Manager  
Direct Line: 403-705-5361  
Email: capplejohn@bflcanada.ca

**Jake Williams CRM**

Client Service Assistant  
Direct Line: 403-705-5185  
Email: jakewilliams@bflcanada.c

# YOUR CLAIMS CONCIERGE TEAM

**WHENEVER YOU NEED, JUST GIVE US A RING!**

**Reach all of us at:**  
realestateclaims@bflcanada.ca  
General Line. 604-669-9600  
Toll Free 1-866-669-9602  
Fax 604-683-9316

**Emergency Claims Service**  
After Hours Number  
1-866-938-5691





Condo  
PROTECT

ENDORSEMENT NO. 01 (CERTIFICATE OF INSURANCE)

Renewal Policy No.  
BFL041710503

THIS ENDORSEMENT IS ATTACHED TO AND MADE A PART OF THE POLICY BFL041710503, EFFECTIVE AS OF November 30, 2020

**This Policy contains a clause(s) which may limit the amount payable.**

Previous Policy No. BFL041710503

**IT IS HEREBY UNDERSTOOD AND AGREED THAT:**

the Master Policy BFLSPW001REV1015AB(Rev17Nov2016) - Statutory Conditions, Section 5. Termination of Insurance, Subsection 1 (a) is amended to read as follows and not as previously written:

...1(a) by the insurer giving to the "Insured" 60 days' notice of termination by registered mail.

**Named Insured:** Condominium Corporation No. 1710503, acting on their own behalf or as a Condominium Corporation &/or as Trustees or Agents on behalf of all Registered Unit Owners  
Barclay Street Real Estate Ltd. (As Property Manager)  
200, 407 - 8th Avenue SW, Calgary, AB T2P 1E5

**Mailing Address:** 200, 407 - 8th Avenue SW, Calgary, AB T2P 1E5

**Policy Period:** From: November 30, 2020 To: November 30, 2021  
12:01 a.m. standard time at the location of the premises as to each of the said dates

**Insured Location(s):** 914 and 918 6th Avenue SW, Calgary, AB T2P 0V5  
930 6th Avenue SW, Calgary, AB T2P 1J3  
920 6th Avenue SW, Calgary, AB T2P 1J4  
932 and 934 6th Avenue SW, Calgary, AB T2P 1E4  
VOGUE

**Construction:** Fire Resistive 35 Storeys 1 Building

**Occupied by Insured As:** 230 Residential Units 2 Commercial Units

Insurance is provided, subject to the Declarations, Terms, Conditions of the policy and its Riders, only for which specific Riders are attached and for which a specific limit or annotation is shown hereunder.

## INSURING AGREEMENT



### SECTION I - PROPERTY BFLSPW001REV1015AB(Rev17Nov2016)

A.	All Property - All Risks, Blanket By-Laws, Stated Amount Co-Insurance, Replacement Cost.		As Per Limit of Liability
	Improvements and Betterments		As Per Limit of Liability
	Contents		As Per Limit of Liability
		<b>DEDUCTIBLE</b>	<b>LIMIT</b>
	<b>SUBJECT TO A MAXIMUM LIMIT OF LIABILITY</b>		<b>\$40,000,000</b>
	All Risks	\$25,000	
	Sewer Backup Damage	\$50,000	
	Water Damage	\$50,000	
	Earthquake Damage (Annual Aggregate)	5% (Minimum \$100,000)	As per Limit of Liability
	Flood Damage (Annual Aggregate)	\$50,000	As per Limit of Liability
	Direct loss or damage to property insured due to hail - Per Occurrence	\$50,000	
	Lock & Key	\$2,500	\$25,000
	Additional Living Expenses - Per Unit		\$50,000
	Additional Living Expenses - Annual Aggregate		\$1,000,000
B.	Business Interruption (Gross Rentals), 100% Co-Insurance, Indemnity Period (Months) : 18	N/A	As Per Limit of Liability

**SUBSCRIPTION**


**Condo  
PROTECT**
**ENDORSEMENT NO. 01 (CERTIFICATE OF INSURANCE)**

 Renewal Policy No.  
 BFL041710503

THIS ENDORSEMENT IS ATTACHED TO AND MADE A PART OF THE POLICY BFL041710503, EFFECTIVE AS OF November 30, 2020

## INSURING AGREEMENT



### SECTION I.I - a. EXCESS PROPERTY - Excess Property Extensions & Excess Extended Replacement Cost (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Extended Replacement Cost	N/A	Not Covered
Excess Property Extensions up to \$5,000,000		Included



### SECTION I.I - b. EXCESS PROPERTY - Excess Property Limit of Loss, 1st Excess (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Property Limit of Loss - Any one loss, and aggregate in respect of Flood and Earthquake		\$60,000,000
Underlying Limit:		\$40,000,000



### SECTION I.I - c. EXCESS PROPERTY - Excess Property Limit of Loss, 2nd Excess (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Property Limit of Loss - Second Excess - Any one loss, and aggregate in respect of Flood and Earthquake		\$11,278,750
Underlying Limit:		\$100,000,000



### SECTION II - CRIME (CRIME.ZUR.CANADA 11.18.2020)

	DEDUCTIBLE	LIMIT
I. Broad Form Money and Securities		
Inside Loss	Nil	\$10,000
Outside Loss	Nil	\$10,000
II. Comprehensive Dishonesty, Counterfeiting, Forgery and Fraud		
Employee Dishonesty - Form A - Including Property Manager and Elected Officer Theft	Nil	\$25,000
Money Orders and Counterfeit Paper Currency	Nil	\$10,000
Depositors Forgery	Nil	\$10,000
Computer Fraud or Funds Transfer Fraud	Nil	\$10,000
Credit Card Forgery	Nil	\$10,000



### SECTION III - COMMERCIAL GENERAL LIABILITY (CGL.ZUR.CANADA 11.18.2020)

	DEDUCTIBLE	LIMIT
A. Bodily Injury & Property Damage Liability - Per Occurrence	\$2,500	\$5,000,000
Products and Completed Operations Aggregate	\$2,500	\$5,000,000
B. Personal and Advertising Injury Liability		\$5,000,000
C. Medical Payments - Per Person		\$25,000
D. Tenants Legal Liability (Broad Form)	\$2,500	\$1,000,000
Non-Owned Automobile Endorsement SPF #6	\$2,500	\$5,000,000
Excluding Long Term Leased Vehicle Endorsement SEF #99		Included
Legal Liability For Damage To Hired Automobiles Endorsement SEF #94	\$2,500	\$50,000
Contractual Liability Endorsement SEF #96		Included
Employee Benefit Liability		\$1,000,000
Infectious Agent or Communicable Disease Exclusion - With Limited Exceptions (Form ZC 20038 U-ZGP (06/2020))		
Total Pollution Exclusion (Form ZC 20018 U (10/2011))		


 Condo  
 PROTECT

ENDORSEMENT NO. 01 (CERTIFICATE OF INSURANCE)

 Renewal Policy No.  
 BFL041710503

THIS ENDORSEMENT IS ATTACHED TO AND MADE A PART OF THE POLICY BFL041710503, EFFECTIVE AS OF November 30, 2020

## INSURING AGREEMENT



### SECTION IV - CONDOMINIUM DIRECTORS & OFFICERS LIABILITY (Form D51100C (07/13))

	DEDUCTIBLE	LIMIT
Claims Made Form - Including Property Manager	Nil	\$2,000,000
Privacy Event Expenses	Nil	\$50,000
Cyber Liability	Nil	\$50,000



### SECTION V - BLANKET GLASS - Includes Lobby Glass (Form 2294 (03/2010))

	DEDUCTIBLE	LIMIT
Residential	\$250	Blanket
Commercial	\$250	
Canopy	\$1,000	



### SECTION VI - EQUIPMENT BREAKDOWN 70107-(Revision 06-2016)

	DEDUCTIBLE	LIMIT
BM31V2: Standard Comprehensive Form including Production Machines and Electronic Equipment	\$2,500	\$111,275,000
- Direct Damage including Repair or Replacement, By-Laws, Service Interruption		
- Coverage Extensions for Section VI: As per Master Policy		
- Deductible Waiver Endorsement (for losses in excess of \$25,000)		
BM34: Extra Expense – 100% available in first month	24 Hour Waiting Period	\$1,000,000
- Additional Living Expenses Endorsement - Per Unit		\$25,000
- Additional Living Expenses Endorsement - Annual Aggregate		\$1,000,000
BM33: Loss of Profits – Rents, Indemnity Period (Months): 18	N/A	\$3,750



### SECTION VII - POLLUTION LIABILITY (Claims Made (Form ZC 5558 U (01/09))

	DEDUCTIBLE	LIMIT
Limits of Liability - Each Pollution Event Limit	\$25,000	\$1,000,000
Aggregate Policy Limit		\$5,000,000
- (Refer to Policy for how Policy Limit applies & for Sublimits of Liability that are applicable to some coverage)		



### SECTION VIII - VOLUNTEER ACCIDENT (Form ACEGI-IC-0307)

	DEDUCTIBLE	LIMIT
Principal Sum.	See Policy Wordings	\$100,000



### SECTION IX - LEGAL EXPENSES DASBCS.BFLStratacondo

	DEDUCTIBLE	LIMIT
Each Event	Nil	\$300,000
Annual Aggregate.		\$1,500,000


 Condo  
 PROTECT

**ENDORSEMENT NO. 01** (CERTIFICATE OF INSURANCE)

 Renewal Policy No.  
 BFL041710503

 THIS ENDORSEMENT IS ATTACHED TO AND MADE A PART OF THE POLICY BFL041710503, EFFECTIVE AS OF  
 November 30, 2020

## INSURING AGREEMENT



### SECTION X - TERRORISM (Form LMA3092 (Amended))

	DEDUCTIBLE	LIMIT
Per Occurrence.	\$1,000	\$350,000
Annual Aggregate		\$350,000

### SECTION XI - BLANKET COVERAGE (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Employee Dishonesty - Including Property Manager and Elected Officer Theft	See Policy Wording	\$975,000
Excess Commercial General Liability - SubSections A & B and Endorsement SPF #6	See Policy Wording	\$25,000,000
Excess Condominium Directors & Officers Liability	See Policy Wording	\$18,000,000
Excess Volunteer Accident	See Policy Wording	\$900,000
Excess Legal Expenses	See Policy Wording	\$700,000
- Annual Aggregate		\$3,500,000

## TOTAL ADDITIONAL PREMIUM

ADDITIONAL PREMIUM	\$0.00
--------------------	--------

## TOTAL INSURABLE VALUE

Appraisal Date: November 30, 2020

All Property	\$110,200,000
Betterments & Improvements	\$1,000,000
Contents	\$75,000
Gross Rentals, 100% Co-Insurance, Indemnity Period (Months)	\$3,750

TOTAL ADDITIONAL PREMIUM	\$0.00
--------------------------	--------

## LOSS IF ANY PAYABLE TO:

Lenders and Mortgage Companies are referred to the provisions of the Alberta Condominium Property Act being Chapter C-22 of the Revised Statutes of Alberta 2000, and to the By-Laws of the above referenced Condominium Corporation with respect to placement of insurance and disbursement and utilization of insurance proceeds.

(The Standard Mortgage Clause is applicable unless Special Mortgage Clause attached)




 Condo  
 PROTECT

ENDORSEMENT NO. 01 (CERTIFICATE OF INSURANCE)

 Renewal Policy No.  
 BFL041710503

THIS ENDORSEMENT IS ATTACHED TO AND MADE A PART OF THE POLICY BFL041710503, EFFECTIVE AS OF November 30, 2020

## LIST OF INSURERS

Insurance Company	Section	Participation %	Master Wording No.
AIG Insurance Company of Canada	PROPERTY	10%	BFLSPW001
Certain Lloyd's Underwriters under Binding Authority B0713PRPNA2001175, as arranged by Lockton Companies LLP	TERRORISM	100%	
Certain Lloyd's Underwriters under Binding Authority B0713SPRGL2001012, as arranged by Lockton Companies LLP	BLANKET COVERAGE	100%	SPRGL2001012
Chubb Insurance Company of Canada	PROPERTY	15%	BFLSPW001
Chubb Life Insurance Company of Canada	VOLUNTEER ACCIDENT	100%	50078301 (Policy)
DAS Legal Protection Insurance Company Limited	LEGAL EXPENSES	100%	8363 (Policy)
Echelon Insurance	PROPERTY	20%	BFLSPW001
Great American Insurance Group	CONDOMINIUM DIRECTORS & OFFICERS LIABILITY	100%	D51100C
Intact Insurance Company of Canada	EQUIPMENT BREAKDOWN	100%	
Liberty Mutual Insurance Company	a. EXCESS PROPERTY - Excess Property Extensions & Excess Extended Replacement Cost	100%	CPTOABEID9019 (Policy)
	b. EXCESS PROPERTY - Excess Property Limit of Loss, 1st Excess	100%	
	c. EXCESS PROPERTY - Excess Property Limit of Loss, 2nd Excess	100%	
Millennium Insurance Corporation	PROPERTY	10%	BFLSPW001
Starr Insurance & Reinsurance Limited	PROPERTY	25%	BFLSPW001
Zurich Insurance Company Ltd	BLANKET GLASS - Includes Lobby Glass	100%	ZC 5558 U (01/09)
	COMMERCIAL GENERAL LIABILITY	100%	
	CRIME	100%	
	POLLUTION LIABILITY	100%	
	PROPERTY	20%	

For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' and Liberty Mutual Insurance Company's insurance business in Canada



**Condo  
PROTECT**

**ENDORSEMENT NO. 01** (CERTIFICATE OF INSURANCE)

Renewal Policy No.  
BFL041710503

THIS ENDORSEMENT IS ATTACHED TO AND MADE A PART OF THE POLICY BFL041710503, EFFECTIVE AS OF November 30, 2020

**This Certificate is not valid unless countersigned by an Authorized Representative of the Insurer(s).**

**AUTHORIZED BY:**

**BFL CANADA Insurance Services Inc.**

GARETH MCDONNELL

NAME OF AUTHORIZED REPRESENTATIVE

CHRISTINA APPLEJOHN

NAME OF COUNTERSIGNED AUTHORIZED REPRESENTATIVE



AUTHORIZED REPRESENTATIVE



COUNTERSIGNED AUTHORIZED REPRESENTATIVE

Date: December 1, 2020



**This Policy contains a clause(s) which may limit the amount payable.**

Previous Policy No. BFL041710503

**Named Insured:** Condominium Corporation No. 1710503, acting on their own behalf or as a Condominium Corporation &/or as Trustees or Agents on behalf of all Registered Unit Owners  
 Barclay Street Real Estate Ltd. (As Property Manager)

**Mailing Address:** 200, 407 - 8th Avenue SW, Calgary, AB T2P 1E5

**Policy Period:** From: November 30, 2020 To: November 30, 2021  
 12:01 a.m. standard time at the location of the premises as to each of the said dates

**Insured Location(s):** 914 and 918 6th Avenue SW, Calgary, AB T2P 0V5  
 930 6th Avenue SW, Calgary, AB T2P 1J3  
 920 6th Avenue SW, Calgary, AB T2P 1J4  
 932 and 934 6th Avenue SW, Calgary, AB T2P 1E4  
 VOGUE

**Construction:** Fire Resistive                                  35 Storeys                                  1 Building

**Occupied by Insured As:** 230 Residential Units                                  2 Commercial Units

Insurance is provided, subject to the Declarations, Terms, Conditions of the policy and its Riders, only for which specific Riders are attached and for which a specific limit or annotation is shown hereunder.

## INSURING AGREEMENT



### SECTION I - PROPERTY BFLSPW001REV1015AB(Rev17Nov2016)

A. All Property - All Risks, Blanket By-Laws, Stated Amount Co-Insurance, Replacement Cost.		As Per Limit of Liability
Improvements and Betterments		As Per Limit of Liability
Contents		As Per Limit of Liability
	<b>DEDUCTIBLE</b>	<b>LIMIT</b>
<b>SUBJECT TO A MAXIMUM LIMIT OF LIABILITY</b>		<b>\$40,000,000</b>
All Risks	\$25,000	
Sewer Backup Damage	\$50,000	
Water Damage	\$50,000	
Earthquake Damage (Annual Aggregate)	5% (Minimum \$100,000)	As per Limit of Liability
Flood Damage (Annual Aggregate)	\$50,000	As per Limit of Liability
Direct loss or damage to property insured due to hail – Per Occurrence	\$50,000	
Lock & Key	\$2,500	\$25,000
Additional Living Expenses - Per Unit		\$50,000
Additional Living Expenses - Annual Aggregate		\$1,000,000
B. Business Interruption (Gross Rentals), 100% Co-Insurance, Indemnity Period (Months) : 18	N/A	As Per Limit of Liability



### SECTION I.I - a. EXCESS PROPERTY - Excess Property Extensions & Excess Extended Replacement Cost (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Extended Replacement Cost	N/A	Not Covered
Excess Property Extensions up to \$5,000,000		Included

**SUBSCRIPTION**


 Condo  
 PROTECT

## DECLARATION PAGE (CERTIFICATE OF INSURANCE)

 Renewal Policy No.  
 BFL041710503

## INSURING AGREEMENT



## SECTION I.I - b. EXCESS PROPERTY - Excess Property Limit of Loss, 1st Excess (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Property Limit of Loss - Any one loss, and aggregate in respect of Flood and Earthquake		\$60,000,000
Underlying Limit:		\$40,000,000



## SECTION I.I - c. EXCESS PROPERTY - Excess Property Limit of Loss, 2nd Excess (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Property Limit of Loss - Second Excess - Any one loss, and aggregate in respect of Flood and Earthquake		\$11,278,750
Underlying Limit:		\$100,000,000



## SECTION II - CRIME (CRIME.ZUR.CANADA 11.18.2020)

	DEDUCTIBLE	LIMIT
I. Broad Form Money and Securities		
Inside Loss	Nil	\$10,000
Outside Loss	Nil	\$10,000
II. Comprehensive Dishonesty, Counterfeiting, Forgery and Fraud		
Employee Dishonesty - Form A - Including Property Manager and Elected Officer Theft	Nil	\$25,000
Money Orders and Counterfeit Paper Currency	Nil	\$10,000
Depositors Forgery	Nil	\$10,000
Computer Fraud or Funds Transfer Fraud	Nil	\$10,000
Credit Card Forgery	Nil	\$10,000



## SECTION III - COMMERCIAL GENERAL LIABILITY (CGL.ZUR.CANADA 11.18.2020)

	DEDUCTIBLE	LIMIT
A. Bodily Injury & Property Damage Liability - Per Occurrence	\$2,500	\$5,000,000
Products and Completed Operations Aggregate	\$2,500	\$5,000,000
B. Personal and Advertising Injury Liability		\$5,000,000
C. Medical Payments - Per Person		\$25,000
D. Tenants Legal Liability (Broad Form)	\$2,500	\$1,000,000
Non-Owned Automobile Endorsement SPF #6	\$2,500	\$5,000,000
Excluding Long Term Leased Vehicle Endorsement SEF #99		Included
Legal Liability For Damage To Hired Automobiles Endorsement SEF #94	\$2,500	\$50,000
Contractual Liability Endorsement SEF #96		Included
Employee Benefit Liability		\$1,000,000
Infectious Agent or Communicable Disease Exclusion - With Limited Exceptions (Form ZC 20038 U-ZGP (06/2020))		
Total Pollution Exclusion (Form ZC 20018 U (10/2011))		



## SECTION IV - CONDOMINIUM DIRECTORS &amp; OFFICERS LIABILITY (Form D51100C (07/13))

	DEDUCTIBLE	LIMIT
Claims Made Form - Including Property Manager	Nil	\$2,000,000
Privacy Event Expenses	Nil	\$50,000
Cyber Liability	Nil	\$50,000


 Condo  
 PROTECT

## DECLARATION PAGE (CERTIFICATE OF INSURANCE)

 Renewal Policy No.  
 BFL041710503

## INSURING AGREEMENT



## SECTION V - BLANKET GLASS - Includes Lobby Glass (Form 2294 (03/2010))

	DEDUCTIBLE	LIMIT
Residential	\$250	Blanket
Commercial	\$250	
Canopy	\$1,000	



## SECTION VI - EQUIPMENT BREAKDOWN 70107-(Revision 06-2016)

	DEDUCTIBLE	LIMIT
BM31V2: Standard Comprehensive Form including Production Machines and Electronic Equipment	\$2,500	\$111,275,000
- Direct Damage including Repair or Replacement, By-Laws, Service Interruption		
- Coverage Extensions for Section VI: As per Master Policy		
- Deductible Waiver Endorsement (for losses in excess of \$25,000)		
BM34: Extra Expense – 100% available in first month	24 Hour Waiting Period	\$1,000,000
- Additional Living Expenses Endorsement - Per Unit		\$25,000
- Additional Living Expenses Endorsement - Annual Aggregate		\$1,000,000
BM33: Loss of Profits – Rents, Indemnity Period (Months): 18	N/A	\$3,750



## SECTION VII - POLLUTION LIABILITY (Claims Made (Form ZC 5558 U (01/09))

	DEDUCTIBLE	LIMIT
Limits of Liability - Each Pollution Event Limit	\$25,000	\$1,000,000
Aggregate Policy Limit		\$5,000,000
- (Refer to Policy for how Policy Limit applies & for Sublimits of Liability that are applicable to some coverage)		



## SECTION VIII - VOLUNTEER ACCIDENT (Form ACEGI-IC-0307)

	DEDUCTIBLE	LIMIT
Principal Sum.	See Policy Wordings	\$100,000



## SECTION IX - LEGAL EXPENSES DASBCS.BFLStratacondo

	DEDUCTIBLE	LIMIT
Each Event	Nil	\$300,000
Annual Aggregate.		\$1,500,000



## SECTION X - TERRORISM (Form LMA3092 (Amended))

	DEDUCTIBLE	LIMIT
Per Occurrence.	\$1,000	\$350,000
Annual Aggregate		\$350,000



## INSURING AGREEMENT

### SECTION XI - BLANKET COVERAGE (BFL Manuscript)

	DEDUCTIBLE	LIMIT
Excess Employee Dishonesty - Including Property Manager and Elected Officer Theft	See Policy Wording	\$975,000
Excess Commercial General Liability - SubSections A & B and Endorsement SPF #6	See Policy Wording	\$25,000,000
Excess Condominium Directors & Officers Liability	See Policy Wording	\$18,000,000
Excess Volunteer Accident	See Policy Wording	\$900,000
Excess Legal Expenses	See Policy Wording	\$700,000
- Annual Aggregate		\$3,500,000

## PREMIUM PAYABLE

Premium	\$180,770.00
---------	--------------

## TOTAL INSURABLE VALUE

Appraisal Date: November 30, 2020	
All Property	\$110,200,000
Betterments & Improvements	\$1,000,000
Contents	\$75,000
Gross Rentals, 100% Co-Insurance, Indemnity Period (Months)	\$3,750

## LOSS IF ANY PAYABLE TO:

Lenders and Mortgage Companies are referred to the provisions of the Alberta Condominium Property Act being Chapter C-22 of the Revised Statutes of Alberta 2000, and to the By-Laws of the above referenced Condominium Corporation with respect to placement of insurance and disbursement and utilization of insurance proceeds.

**(The Standard Mortgage Clause is applicable unless Special Mortgage Clause attached)**

**LIST OF INSURERS**

Insurance Company	Section	Participation	Master Wording No.
AIG Insurance Company of Canada	PROPERTY	10%	BFLSPW001
Certain Lloyd's Underwriters under Binding Authority B0713PRPNA2001175, as arranged by Lockton Companies LLP	TERRORISM	100%	
Certain Lloyd's Underwriters under Binding Authority B0713SPRGL2001012, as arranged by Lockton Companies LLP	BLANKET COVERAGE	100%	SPRGL2001012
Chubb Insurance Company of Canada	PROPERTY	15%	BFLSPW001
Chubb Life Insurance Company of Canada	VOLUNTEER ACCIDENT	100%	50078301 (Policy)
DAS Legal Protection Insurance Company Limited	LEGAL EXPENSES	100%	8363 (Policy)
Echelon Insurance	PROPERTY	20%	BFLSPW001
Great American Insurance Group	CONDOMINIUM DIRECTORS & OFFICERS LIABILITY	100%	D51100C
Intact Insurance Company of Canada	EQUIPMENT BREAKDOWN	100%	
Liberty Mutual Insurance Company	a. EXCESS PROPERTY - Excess Property Extensions & Excess Extended Replacement Cost b. EXCESS PROPERTY - Excess Property Limit of Loss, 1st Excess c. EXCESS PROPERTY - Excess Property Limit of Loss, 2nd Excess	100% 100% 100%	CPTOABEID9019 (Policy)
Millennium Insurance Corporation	PROPERTY	10%	BFLSPW001
Starr Insurance & Reinsurance Limited	PROPERTY	25%	BFLSPW001
Zurich Insurance Company Ltd	PROPERTY CRIME COMMERCIAL GENERAL LIABILITY BLANKET GLASS - Includes Lobby Glass POLLUTION LIABILITY	20% 100% 100% 100% 100%	BFLSPW001   ZC 5558 U (01/09)

**For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' and Liberty Mutual Insurance Company's insurance business in Canada**

**This Certificate is not valid unless countersigned by an Authorized Representative of the Insurer(s).**

**AUTHORIZED BY:**

**BFL CANADA Insurance Services Inc.**

GARETH MCDONNELL  
NAME OF AUTHORIZED REPRESENTATIVE

CHRISTINA APPLEJOHN  
NAME OF COUNTERSIGNED AUTHORIZED REPRESENTATIVE

  
AUTHORIZED REPRESENTATIVE

  
COUNTERSIGNED AUTHORIZED REPRESENTATIVE

Date: November 30, 2020



CONDO PROTECT  
INSURANCE PROGRAM POLICIES



## **TABLE OF CONTENTS**

**SECTION I – PROPERTY**

**SECTION I.I – EXCESS PROPERTY**

**SECTION II – CRIME**

**SECTION III – COMMERCIAL GENERAL LIABILITY**

**SECTION IV – DIRECTORS & OFFICERS LIABILITY**

**SECTION V – BLANKET GLASS (GLASS RIDER)**

**SECTION VI – EQUIPMENT BREAKDOWN**

**SECTION VII – ENVIRONMENTAL LIABILITY**

**SECTION VIII – VOLUNTEER ACCIDENT**

**SECTION IX – LEGAL EXPENSES**

**SECTION X – TERRORISM**

**SECTION XI – BLANKET COVERAGE**



**PROPERTY**

**SECTION I – PROPERTY INSURANCE**

**POLICY NO.:** As per Declaration Page  
**NAMED INSURED:** As per Declaration Page  
**MAILING ADDRESS:** As per Declaration Page  
**POLICY PERIOD:** As per Declaration Page  
**INSURED LOCATION:** As per Declaration Page  
**CONSTRUCTION:** As per Declaration Page  
**OCCUPIED BY INSURED AS:** As per Declaration Page

**Insurance is provided, subject to the Declarations, Terms, Conditions of the policy and its Riders, only for which specific Riders are attached and for which a specific limit or annotation is shown hereunder.**

<b>INSURING AGREEMENT</b>	<b>DEDUCTIBLE</b>	<b>LIMIT</b>
<b>SECTION I – PROPERTY</b> A. All Property – All Risks, Blanket By-Laws, Stated Amount Co-Insurance, Replacement Cost, Extended Replacement Cost “All Risks” Sewer Backup Damage Water Damage Earthquake Damage Flood Damage Lock & Key Additional Living Expenses  B. Business Interruption (Gross Rents), 100% Co-Insurance, Indemnity Period (Months):	As Per Declaration Page          As per Declaration Page	As Per Declaration Page          As per Declaration Page

**LOSS IF ANY PAYABLE TO:** As per Declaration Page  
**ADDITIONAL INSURED:** As per Declaration Page  
**TOTAL PREMIUM:** As per Declaration Page  
**LIST OF INSURERS:** As per Declaration Page

---

**SUBSCRIPTION CLAUSE**

If more than one Insurer is shown in the List of Insurers on the Declaration Page under Section I – Property the following clause will apply:

In consideration of the “Insured” having paid or agreed to pay the premium set against its name to each of the Insurers named in the List of Insurers on the Declaration Page, and are shown to participate in Section I – Property, or to Insurers whose names are substituted therefor or thereto by endorsement, hereafter called “the Insurers.”

The Insurers severally and not jointly agree, each for its percentage as set against its name in the List of Insurers on the Declaration Page, to indemnify the “Insured” named on the Declaration Page to the extent provided by the forms and endorsements attached to and forming part of this policy, subject to the conditions, stipulations and declaration contained in the riders and endorsements attached hereto, and to the “Insured’s” acknowledgement of the cancellation from the effective date hereof on any previous policy or the renewal thereof, which is stated herein as replaced.

This policy is subject to the terms and conditions set forth herein together with such other terms and conditions as may be endorsed hereon or added hereto. No term or condition of this policy shall be deemed to be waived in whole or in part by the Insurers unless the waiver is clearly expressed in writing and signed by the person authorized for that purpose by the Insurers.

**This Policy contains a clause(s) which may limit the amount payable**

# PROPERTY

## TABLE OF CONTENTS

	<u>PAGE</u>
<b>SECTION I – PROPERTY INSURANCE</b>	1
<b>SUBSCRIPTION CLAUSE</b>	1
<b>TABLE OF CONTENTS</b>	2
<b>PROPERTY INSURANCE</b>	6
1. PROPERTY INSURED	6
2. LIMIT OF LIABILITY	6
3. PERILS INSURED – All Risks	6
a. Earthquake Damage Extension	6
b. Flood Damage Extension	6
4. EXTENSIONS OF COVERAGE	6
a. Accounts Receivable	6
b. Additional Living Expenses	7
c. Arson Reward	7
d. Blanket By-Laws	7
e. Broad Form Consequential Loss	7
f. Common Expenses	7
g. Declaration of Emergency	7
h. Eco-Friendly Enhancement	8
i. Electronic “Data” Processing Systems	8
j. Expediting Expenses	8
k. Extra Expense	9
l. Fire Department Charges	9
m. Fire Suppression Recharge	9
n. Gross Rentals	9
o. Growing Plants, Trees, Shrubs or Flowers	9
p. Lock & Key	9
q. On “Premises” “Pollutant” Clean-up	10
r. Personal Property of Officers and Employees	10
s. Professionals’ Fees	10
t. Property at Temporary Locations	10
u. Property in Transit	10
v. Valuable Papers	10
5. REPLACEMENT COST	10
6. EXTENDED REPLACEMENT COST CLAUSE	11
7. RECORDS	11
8. PROPERTY EXCLUDED	11
9. PERILS EXCLUDED	12
10. DEFINITIONS	14
<b>GENERAL CONDITIONS &amp; LIMITATIONS</b>	16
1. INSURING AGREEMENTS	16
(A) Temporary Removal	16
(B) Debris Removal	16
(C) Tear-out Clause	16
2. DEDUCTIBLE CLAUSE	16
3.a. CO-INSURANCE CLAUSE	16
3.b. STATED AMOUNT CO-INSURANCE CLAUSE	17
4. VERIFICATION OF VALUES	17
5. PERMISSION	17
6. BREACH OF CONDITIONS	17
7. NO CONTROL	17
8. REINSTATEMENT	17
9. OTHER INSURANCE	17
10. CURRENCY CLAUSE	17
11. JOINT LOSS AGREEMENT	17
12. WAIVER OF TERM OR CONDITION	17
13. PROPERTY OF OTHERS	17
14. CIVIL AUTHORITY ACTION	17
15. LIBERALIZATION CLAUSE	17
16. NOTICE TO AUTHORITIES	17
17. NO BENEFIT TO BAILEE	17

## PROPERTY

18. PAIR AND SET	17
19. PARTS	18
20. SUE AND LABOUR	18
21. BASIS OF LOSS SETTLEMENT	18
22. RELEASE AND SUBROGATION	18
23. AGENCY CLAUSE	18
24. SEVERABILITY OF INTERESTS	18
25. POLICY WORDING	18
26. BILLS OF LADING	18
27. ERRORS OR OMISSIONS	18
28. SUIT AGAINST INSURER	18
29. TERMINATION	18
30. NOTICE TO INSURER	19
31. LOSS PAYABLE	19
32. PROPERTY PROTECTION SYSTEMS	19
33. AUTOMATIC PROTECTION AGREEMENT	19
<b>STATUTORY CONDITIONS (Alberta)</b>	19
1. Misrepresentation	19
2. Property of others	19
3. Change of interest	19
4. Material change in risk	19
5. Termination of insurance	19
6. Requirements after loss	19
7. Fraud	20
8. Who may give notice and proof	20
9. Salvage	20
10. Entry, control, abandonment	20
11. In case of disagreement	20
12. When loss payable	20
13. Repair or replacement	20
14. Notice	20
<b>STATUTORY CONDITIONS (Ontario)</b>	20
1. Misrepresentation	20
2. Property of others	20
3. Change of interest	20
4. Material change	20
5. Termination	21
6. Requirements After Loss	21
7. Fraud	21
8. Who May Give Notice and Proof	21
9. Salvage	21
10. Entry, Control, Abandonment	21
11. Appraisal	21
12. When Loss Payable	21
13. Replacement	21
14. Action	21
15. Notice	21
<b>STATUTORY CONDITIONS (Saskatchewan)</b>	22
1. Misrepresentation	22
2. Property of Others	22
3. Change of Interest	22
4. Material Change	22
5. Termination	22
6. Requirements after Loss	22
7. Fraud	22
8. Who May Give Notice and Proof	22
9. Salvage	22
10. Entry, control, abandonment	23
11. Appraisal	23
12. When Loss Payable	23
13. Replacement	23
14. Action	23
15. Notice	23

# PROPERTY

<b>STATUTORY CONDITIONS (Manitoba)</b>	23
1. Misrepresentation	23
2. Property of others	23
3. Change of interest	23
4. Material change in risk	23
5. Termination of insurance	23
6. Requirements after loss	24
7. Fraud	24
8. Who may give notice and proof	24
9. Salvage	24
10. Entry, control, abandonment	24
11. In case of disagreement	24
12. When loss payable	24
13. Replacement	24
14. Notice	24
<b>ACCREDITED APPRAISAL FIRMS</b>	25
<b>FREEZING PIPE DEDUCTIBLE</b>	25
<b>EXTENDED REPLACEMENT COST CLAUSE ENDORSEMENT</b>	25
<b>STANDARD MORTGAGE CLAUSE</b>	26
<b>AIG INSURANCE COMPANY OF CANADA – SPECIAL PROVISIONS</b>	27
ECONOMIC EMBARGOES AND TRADE SANCTIONS	27
PRIVACY PRINCIPLES	27
ELECTRONIC DATA ENDORSEMENT A	30
COMMUNICABLE DISEASE EXCLUSION - LMA138003 (03/20)	30
<b>CHUBB INSURANCE COMPANY OF CANADA</b>	30
TRADE OR ECONOMIC SANCTIONS	30
EXCLUSION OF LOSS DUE TO VIRUS, BACTERIA OR MICROORGANISM THAT INDUCE PHYSICAL DISTRESS, ILLNESS OR DISEASE	31
<b>LLOYD'S UNDERWRITERS' – SPECIAL PROVISIONS</b>	31
POLICYHOLDERS' COMPLAINT PROTOCOL – LSW1542F 09/14	31
NOTICE CONCERNING PERSONAL INFORMATION – LSW1543C 10/15	31
CODE OF CONSUMER RIGHTS AND RESPONSIBILITIES – LSW1565C 10/12	32
BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION – NMA2962 06/02/03	32
MADE IN CANADA CLAUSE – LMA5185 01/11/11	33
SERVICE OF SUIT CLAUSE (CANADA) –LMA5028 10/08/06	33
SANCTION LIMITATION AND EXCLUSION CLAUSE – LMA3100 15 September 2010	33
SUBSCRIPTION POLICY – LSW1554 07/05	33
CANADA SUBSCRIPTION POLICY – LMA5190 07/05	33
ELECTRONIC DATE RECOGNITION EXCLUSION – NMA 2802 (17/12/1997)	34
SEVERAL LIABILITY CLAUSE – LMA5096 (07/03/08)	34
INSURE IN CANADA A RISK – LSW1669 01/10	34
PROPERTY CYBER AND DATA EXCLUSION - LMA5401 11 November 2019	34
<b>WESTPORT INSURANCE CORPORATION – SPECIAL PROVISIONS</b>	35
<u>Section 9. Perils Excluded</u> – Additional Perils Excluded:	35
u.1. Chemical, bacteriological, viral, radioactive or similar agents	35
u.2. Nuclear reaction or radioactivity	35
<u>General Conditions and Limitations</u> – Clause added:	35
34. International Trade Controls and Economic Sanctions	35
<b>STARR INSURANCE &amp; REINSURANCE LIMITED – SPECIAL PROVISIONS</b>	35
ASBESTOS EXCLUSION ENDORSEMENT	35
MICRO ORGANISM EXCLUSION (MAP) (Absolute)	35
ELECTRONIC DATA ENDORSEMENT B – NMA2915	35
TERRORISM EXCLUSION ENDORSEMENT – NMA2920	36
BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION – NMA2962 06/02/03	36
COMMUNICABLE DISEASE EXCLUSION	36

## PROPERTY

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT	37
EMERGENCY EXTENSION PROVISION	37
<b>CONTINENTAL CASUALTY COMPANY (CNA CANADA) – SPECIAL PROVISIONS</b>	37
COMMUNICABLE DISEASE ENDORSEMENT – LMA5393 25 MARCH 2020	37
<b>LIONS GATE UNDERWRITING AGENCY – SPECIAL PROVISIONS</b>	37
COMMUNICABLE DISEASE ENDORSEMENT – LMA5393 25 MARCH 2020	37
<b>CHUBB UNDERWRITING AGENCIES LTD. (SYNDICATE 2488) – SPECIAL PROVISIONS</b>	38
COMMUNICABLE DISEASE ENDORSEMENT – LMA5393 25 MARCH 2020	38
<b>FARADAY UNDERWRITING LTD. (SYNDICATE 435) – SPECIAL PROVISIONS</b>	38
COMMUNICABLE DISEASE EXCLUSION CLAUSE	38
<b>ARCH UNDERWRITING AT LLOYD’S LTD. (SYNDICATE 2012) – SPECIAL PROVISIONS</b>	38
COMMUNICABLE DISEASE EXCLUSION	38
<b>AMBRIS LLP – SPECIAL PROVISIONS</b>	38
COMMUNICABLE DISEASE ENDORSEMENT	38
<b>CANSURE – SPECIAL PROVISIONS</b>	39
COMMUNICABLE DISEASE ENDORSEMENT – LMA5393 25 MARCH 2020	39
<b>MILNCO INSURANCE INC. – SPECIAL PROVISIONS</b>	39
COMMUNICABLE DISEASE EXCLUSION - MFIG.1020.09.15.2020	39
<b>CANOPIUS MANAGING AGENTS LIMITED (SYNDICATES 4444 &amp; 1861) – SPECIAL PROVISIONS</b>	39
COMMUNICABLE DISEASE ENDORSEMENT – LMA5393 25 MARCH 2020	39
<b>SHORT RATE CANCELLATION TABLE</b>	41

## PROPERTY

### 1. PROPERTY INSURED

- a) **"All Property" of every description** located within the property boundaries at the location shown on the Declaration Page including, but not so as to limit the generality of the foregoing, all common property, individual condominium "Units" and individual residential "Units" comprising all structures, together with their additions, extensions, attachments, and services, and all other property (except as herein excluded under Clause 8) owned by the "Insured" or for which they are legally liable or for which they may have responsibility to insure or in which they have an insurable interest, while at the location(s) specified on the Declaration Page.
- b) **Rental Income or Rental Value** of the property insured as described in Clause 1.a) above.

### 2. LIMIT OF LIABILITY

The maximum liability of the Insurer in any one loss shall not exceed the limit(s) of liability stated on the Declaration Page.

### 3. PERILS INSURED

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

#### a. Earthquake Damage Extension

If a deductible percentage amount is shown in Section I – Property, Earthquake Damage on the Declaration Page, the following clauses shall be applicable:

##### **Earthquake Damage**

This policy is hereby extended to include loss or damage caused directly by the peril of earthquake. This coverage is subject to an Aggregate Limit as is evidenced on the Declaration Page of this policy.

For the purpose of this extension, earthquake shall include snowslide, landslide or other earth movements occurring concurrently with and directly resulting from an earthquake shock.

Each loss caused by earthquake shall constitute a single claim hereunder, provided that more than one earthquake shock occurring within any consecutive 168 (one hundred sixty eight) hours commencing during the term of this policy shall be deemed to be a single earthquake within the meaning hereof for the purpose of determining the application of the deductible. The expiration of this policy will not reduce the 168 hour period.

Notwithstanding the foregoing, the Insurer shall not be liable for any loss or damage caused by any earthquake shock occurring before this extension becomes effective nor for any loss or damage caused by any earthquake shock occurring after the expiration of this policy.

##### Deductible Clause

In no event shall the Insurer be liable hereunder for an amount exceeding its proportion of the amount by which loss or damage shall exceed that percentage of the value of each "Building" damaged or destroyed as shown in Section I – Property, Deductible column, Earthquake Damage on the Declaration Page. Regardless of the number or value of the buildings or structures involved in the loss, the minimum deductible for any one "Occurrence" shall be as stated on the Declaration Page.

##### Extension of Coverage

The Insurer shall be liable for loss or damage to the property insured caused by wind, hail, rain or snow entering a "Building" through an opening in the roof or walls directly resulting from an earthquake.

##### Exclusions

This extension does not cover 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) leakage from a watermain or from "Fire Protective Equipment";
- (c) theft, riot, vandalism and malicious acts;

- (d) 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 Damage Extension

If a deductible amount is shown in Section I – Property, Flood Damage on the Declaration Page, the following clauses shall be applicable:

##### **Flood Damage**

This policy is hereby extended to include loss or damage caused directly by the peril of flood, including "Surface Water", waves, tides, tidal waves, tsunamis, or the breaking out or overflow of, any natural or artificial body of water. The Insurer shall not be liable for more than the declared limit in respect of any one loss or "Occurrence" and this coverage is subject to an Aggregate Limit as is evidenced on the Declaration Page of this policy.

##### Deductible Clause

The Insurer is liable for the amount by which the loss or damage caused by flood exceeds the amount of the deductible specified in Section I – Property, Deductible column, Flood Damage on the Declaration Page in any one "Occurrence". This Deductible Clause applies separately to each location for which flood coverage is provided, but this deductible shall not apply to loss resulting from any other ensuing perils.

##### Extension of Coverage

The insurer shall be liable for loss or damage to the property insured caused by wind, hail, rain or snow entering a "Building" through an opening in the roof or walls directly resulting from a flood.

##### Exclusions

This extension does not cover loss or damage caused directly or indirectly by any of the following perils whether or not caused by or attributable to flood:

- (a) the backing up or overflow of water from within sewers, sumps, septic tanks, or drains located inside "Buildings";
- (b) 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;
- (c) (i) fire, explosion or smoke;  
(ii) leakage from a watermain or from "Fire Protective Equipment";  
(iii) theft, riot, vandalism or malicious acts."

### 4. EXTENSIONS OF COVERAGE

Subject to all other terms and conditions stated in this Policy, this form also provides the following extensions of coverage. The Insurer shall not be liable for more than the limit of liability, so specified, in respect of any one "Occurrence" unless otherwise specifically stated. The specified limits of liability shall be in addition to the limit of liability shown on the Declaration Page.

#### a. Accounts Receivable:

The insurance under this form is extended to cover all sums due the "Insured" from customers provided the "Insured" is unable to effect collection thereof, as a direct result of loss or damage to records of accounts receivable as a result of an insured peril; interest charges on any loan to offset impaired collections pending payment of such sums made uncollectible by such loss or damage; collection expense in excess of normal collection expense and made necessary because of such loss or damage; and other expenses, when reasonably incurred by the "Insured" in re-establishing records of accounts receivable following such loss or damage. The Insurer's liability with respect to this extension shall not exceed \$25,000 per "Occurrence".

##### **Special Exclusion Clause:**

## PROPERTY

In addition to any exclusions stated elsewhere in this form, the insurance under this extension shall not apply to:

- i. loss due to bookkeeping, accounting or billing errors or omissions;
- ii. loss, the proof of which as to factual existence, is dependent upon an audit of records or an inventory computation; but this shall not preclude the use of such procedures in support of claim for loss which the "Insured" can prove, through evidence wholly apart therefrom;
- iii. loss 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 acts.

### b. Additional Living Expenses:

In the event that loss or damage by an insured peril renders any portion of the insured "Premises" uninhabitable, this policy covers the necessary increase in living expense (including the expenses of moving household furniture and personal effects, if necessary) incurred by the individual unit owners to continue as nearly as practicable the normal standard of living of the individual unit owner's household for the period described in (i) or (ii) below, whichever is the shorter period:

- (i) the time required with the exercise of due diligence and dispatch, to repair or replace such damaged or destroyed property; or
- (ii) the time required for the individual "Unit" owner's household to become settled in permanent quarters.

This extension of coverage shall be limited to a maximum recovery of \$50,000 per condominium "Unit" and \$1,000,000 Aggregate Limit per Policy Period. If access to any portion of the insured "Premises" is prohibited or denied by an order or action of civil authority as a direct result of loss or damage by an insured peril to the insured "Premises", or to neighbouring premises, this "Additional Living Expenses" coverage shall also apply for a period of such prohibited access not exceeding thirty (30) days.

If the individual "Unit" owners have other valid and collectible insurance against loss as described in this extension 4.b. then this policy shall apply only as excess insurance after all other insurance has been exhausted. The periods described above shall not be limited by the expiration of this policy.

### c. Arson Reward:

In the event of loss or damage to the property insured caused by fire which results from an act of arson, the insurance under this form is extended to indemnify the "Insured" for reward paid for information leading to convictions for that act of arson. The Insurer's liability with respect to this extension shall not exceed \$10,000 per "Occurrence".

### d. Blanket By-Laws:

This policy shall, without increasing the amount of insurance, and only as a result of a peril insured against, extend to indemnify the "Insured" for:

- i. a) loss occasioned by the demolition of any undamaged portion of the "Buildings" or structures;
  - b) the cost of demolishing, and clearing the site of, any undamaged portion of the "Buildings" or structures;
  - c) any increase in the cost of repairing, replacing, constructing or reconstructing the "Buildings" or structures on the same site or on an adjacent site, of like height, floor area and style, and for like occupancy;
- arising from the enforcement of the minimum requirements of any by-law, regulation, ordinance or law which:
- ii. a) regulates zoning or the demolition, repair or reconstruction of damaged "Buildings" or structures; and
  - b) is in force at the time of such loss or damage.

This extension, however, does not insure against:

- iii. a) the enforcement of any by-law, regulation, ordinance or law which prohibits an "Insured" from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy;
- b) direct or indirect loss, damage, cost or expense, arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants";
- c) direct or indirect loss, damage, cost or expenses, 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".

### e. Broad Form Consequential Loss:

The insurance under this form is extended to include loss resulting from damage to or destruction of on-premises or off-premises public utility plants, transformer or switching stations, sub-stations, transformer or pumping stations or facilities furnishing or transmitting heat, light, power, gas, water, steam or telecommunications to the "Premises" described on the Declaration Page, when such damage or destruction is caused by a peril, which would have been insured against had it operated on the "Premises" described on the Declaration Page. The term "facilities" includes poles, towers and transmission or distribution lines.

In the event of any loss or series of losses arising out of one "Occurrence" in respect of any off-premises public utility plants, transformer or switching stations, sub-stations, transformer or pumping stations or facilities furnishing or transmitting heat, light, power, gas, water, steam or telecommunications to the "Premises" described on the Declaration Page, the Insurer shall not be liable for loss or damage occurring during the first twenty four (24) hours following the "Occurrence", during which any loss sustained shall be assumed by the "Insured". The Insurer's liability with respect to this extension shall not exceed \$100,000 per "Occurrence".

### f. Common Expenses:

The Insurer agrees to indemnify the "Condominium Corporation" for loss of "Normal Condominium Fees" provided that the Insurer shall be liable under this extension for not more than the pro-rata share of such fees during the time the condominium "Unit" or "Units" remain uninhabitable or untenable as a result of loss or damage by the perils insured against, not exceeding \$2,500 in respect of any one "Unit" and a maximum of \$50,000 per "Occurrence". This clause does not extend to include any other special assessments made.

### g. Declaration of Emergency:

#### Extension of Termination or Expiry Date

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.

1. 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.
2. A. 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:
  - i) 30 days; or



## PROPERTY

- ii) the number of days equal to the total time the “emergency” order was in effect.
- B. If this policy is due to expire during an “emergency”, it will continue in force until the “emergency” is terminated plus the lesser of:

- i) 30 days; or
  - ii) the number of days equal to the total time the “emergency” order was in effect.
3. In no event shall the total term of this extension exceed 120 consecutive days

The “Insured” agrees to pay the pro rata premium earned for the additional time the Insurer remains on risk as a result of the above.

“**Emergency**” means the first statutory declaration of an emergency:

- a) 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
- b) as provided for by the relevant governing Legislation if different from a).

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

### h. Eco-Friendly Enhancement:

#### 1. Insurance is extended to include:

- A. Any increase in the direct costs to repair or replace damaged property insured using “environmentally-friendly” material or modes of construction or “energy-efficient” materials or modes of construction;
- B. Additional fees incurred by the “Insured” for an accredited professional certified by Canada Green Building Council/LEED Canada® to participate in the design and construction for repairing or rebuilding physically damaged insured property as “environmentally-friendly” or “energy-efficient”; and
- C. The additional cost incurred by the “Insured” for certification or re-certification of the repaired or replaced insured property as “environmentally-friendly” or “energy-efficient”.

Coverage under sub-paragraphs A, B, and C is subject to the following provisions:

- i. Replacement or repair shall be at the option of the “Insured” and effected by the “Insured” with due diligence and dispatch;
- ii. Settlement for the increased costs of repair or replacement of insured property shall be made only when the repair or replacement has been effected by the “Insured”, and in no event shall it exceed the amount actually expended;
- iii. This extension applies to “building” and “equipment”;
- iv. Failing compliance by the “Insured” with any of the foregoing provisions, settlement shall be made as if this extension had not been in effect.

#### 2. Coinsurance

If a coinsurance clause applies to the insurance to which this extension attaches, any increase in coverage extended by this extension is not to be considered in determining coinsurance clause compliance.

#### 3. Limits of Liability

The insurer shall not be liable under this extension for more than \$100,000, regardless of the number of insured items to which this form attaches.

#### 4. Exclusions

This extension does not apply to:

- (i) stock;
- (ii) patterns, dies, moulds;
- (iii) paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture, rare books, antique silver, porcelain, rare glassware, bric-a-brac or other articles of art, rarity or antiquity;
- (iv) manuscripts and records meaning books of account, drawing, card index system and other records, media, data storage devices, and program devices for electro-mechanical data processing or for electronically controlled equipment;
- (v) any increase in the cost of replacement occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

As used in this extension:

“**Energy-efficient**” means those products or modes of construction that are ENERGY STAR® or Canada Green Building Council/LEED Canada® rated or accredited.

“**Environmentally-friendly**” means materials or modes of construction that are Canada Green Building Council/LEED Canada® accredited.

### i. Electronic “Data” Processing Systems:

The insurance under this form is extended to cover electronic “Data” processing systems “Equipment”, and component parts thereof (hardware), as well as active “Data” processing “Media” (software). However, coverage under this extension does not insure accounts, bills, evidences of debt, “Valuable Papers”, records, abstracts, deeds, manuscripts, or other documents (except as they may be converted to “Data” processing “Media” form, and then only in that form), or “Data” processing “Media” which cannot be replaced with other of like kind and quality. The Insurer’s liability with respect to this extension shall not exceed \$25,000 per “Occurrence”.

#### Special Exclusion Clause:

- i. In addition to any exclusions stated elsewhere in this form, the Insurer shall not be liable for any loss, damage, or expense caused directly or indirectly by accidental erasure of electronic, digital or other recordings arising out of operator error.
- ii. With respect to coverage provided by this Clause 4.i. the following exclusions are deleted:  
Exclusion l. of 8. (Property Excluded) and Exclusion e. of 9. (Perils Excluded).

#### Basis of Settlement:

- The liability of the Insurer shall not exceed the lesser of:
- i. \$25,000 per “Occurrence”;
  - ii. in respect of electronic processing “Equipment” and “Media”, the cost to repair or replace the damaged property;

#### Definitions:

For the purpose of this extension:

“**Media**” means all forms of converted “Data” and/or instruction vehicles and/or devices intended for the storage of “Data”, but does not mean “Media” held for sale or distribution or already sold.

### j. Expediting Expense:

In the event of loss of or damage to property insured, the insurance under this form is extended to cover the extra cost to expedite reasonable temporary repairs, permanent repairs and permanent replacement of the lost or damaged property. The Insurer’s liability with respect to this extension shall not exceed \$100,000 per “Occurrence”.

### k. Extra Expense:

The insurance under this form is extended to cover the necessary “Extra Expense” incurred by the “Insured” in order to continue as nearly as practicable the “Normal” conduct of the “Insured’s” business following damage to or destruction of the property insured

## PROPERTY

during the period of coverage, and caused by the perils insured against.

In the event of a claim being made under the terms of this extension, the Insurer shall be liable for the "Extra Expense" so incurred only for the period of time required, with the exercise of due diligence and dispatch, to repair, rebuild, or replace such part of the insured property as may be destroyed or damaged.

As soon as practicable after any loss, the "Insured" shall resume complete or partial business operations of the insured property and, insofar as practicable, reduce or dispense with such "Extra Expenses" as are being incurred. The Insurer's liability with respect to this extension shall not exceed \$250,000 per "Occurrence".

### Special Exclusion Clause:

In addition to any exclusions stated elsewhere in this form, the Insurer shall not be liable for:

- i. loss due to fines or damage for breach of contract for late or non-completion of orders, or for any penalties of whatever nature;
- ii. loss due to suspensions, lapse or cancellation of any lease, or licence, contract or order.

### i. Fire Department Charges:

The insurance under this form is extended to cover the "Insured's" liability for fire department service charges when the fire department is called to save or protect the insured property from a peril insured against, excluding fines imposed for violation of any law, statute or municipal restriction. The Insurer's liability with respect to this extension shall not exceed \$50,000 per "Occurrence".

### m. Fire Suppression Recharge:

The insurance under this form is extended to indemnify the "Insured" for any fire suppression system recharge expense incurred by the "Insured" due to the leakage or discharge of the fire suppressant within any suppression system where such leakage or discharge is caused by or results from a peril insured against. The Insurer's liability with respect to this extension shall not exceed \$25,000 per "Occurrence".

### n. Gross Rentals: Indemnity Agreement

When a limit of liability is shown on the Declaration Page, subject to the terms and conditions expressed herein, if destruction or damage occurs to the property insured, this form insures, up to the amount shown on the Declaration Page against loss of Gross Rentals directly resulting from or caused by the perils insured against to "Building(s)" described on the Declaration Page.

### Measure of Recovery

The insurance is limited to loss of Gross Rentals sustained due to a. Reduction in Gross Rentals and b. Increase in Cost of Working and the amount payable shall be:

- a. **In respect of Reduction of Gross Rentals:** The amount by which the Gross Rentals during the Indemnity Period shall, in consequence of the destruction or damage, fall short of the Standard Gross Rentals;
- b. **In respect of Increase in Cost of Working:** The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Rentals which but for that expenditure would have taken place during the Indemnity Period in consequence of the destruction or damage, but not exceeding the loss of Gross Rentals thereby avoided;

less any sum saved during the Indemnity Period in respect of costs as may cease or be reduced in consequence of the destruction or damage by the perils insured against, provided that if the limit of insurance in respect of Gross Rentals shown on the Declaration Page be less than the amount of the Annual Gross Rentals, the amount payable shall be proportionately reduced.

### Provisions

1. If during the Indemnity Period services shall be rendered elsewhere than at the "Premises" for the benefit of the business either by the "Insured" or by others on their behalf the money paid or payable in respect of such services shall be brought into account in arriving at the Gross Rentals during the Indemnity Period.
  2. The liability of the Insurer shall in no case exceed the limit(s) specified on the Declaration Page.
  3. The Insurer shall not be liable for any loss due to fines or damages for breach of contract, or for any penalties of whatever nature.
  4. On the happening of any destruction or damage by a peril insured against in consequence of which a claim is or may be under this extension, the "Insured" shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any interruption or interference with Gross Rentals or to avoid or diminish the loss.
  5. The Insurer shall be liable for actual loss sustained hereunder, during the period of time, not exceeding 30 (thirty) days from the date when, as a direct result of the peril(s) insured against, access to the "Premises" described is prohibited by order of civil authority.
  6. No term or condition of this policy shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the "Insured" shall be deemed to have waived any term or condition of this policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this policy.
  7. Subject to a maximum period of 30 (thirty) days, this policy shall extend to indemnify the "Named Insured", for loss, as described in this endorsement arising from interruption of business due to loss, destruction or damage by an insured peril to any off-premises power, gas, water or telecommunication supply locations or facilities furnishing or transmitting power, gas, water or telecommunications to the "Insured". The Insurer shall not be liable under this item for loss sustained during the first 24 consecutive hours that business is interrupted. The Insurer's liability with respect to this extension of coverage shall not exceed \$25,000 per "Occurrence".
- o. Growing Plants, Trees, Shrubs or Flowers:**  
The insurance under this form is extended to cover growing plants, trees, shrubs or flowers owned by the "Insured", or for which the "Insured" may be legally liable, caused by "Named Perils", earthquake or flood (if this policy has been extended to cover earthquake or flood) or from theft or attempted theft, and provided such perils are not otherwise excluded in Clause 9. This extension shall apply only if the value of such property has been included in the latest Statement of Values or appraisal filed with the Insurer. This extension shall not apply to a tree, shrub, plant or lawn that is grown on the "Insured's" "Premises" for commercial purposes. The Insurer's total liability per "Occurrence" under this extension is subject to the limits as evidenced under the most recent appraisal on file with the Insurer.
- p. Lock & Key:**  
If a deductible amount and a limit are shown in Section I – Property, Lock & Key on the Declaration Page, the following coverage is added, and the maximum limit of liability of the Insurer in any one loss or "Occurrence" shall not exceed the stated limit of liability.
- a. **Subject of Insurance:**  
This form insures against the cost to replace lock(s) and key(s), at the "Premises" stated on the Declaration Page,

## PROPERTY

made necessary by the actual destruction, disappearance or wrongful abstraction of master key(s) and/or lock(s). This extension is subject to the Deductible as shown on the Declaration Page and limit of \$25,000 per "Occurrence".

**b. Exclusions:**

This extension does not insure against loss arising out of or due to:

- i. any fraudulent, dishonest or criminal act by any "Insured", a partner therein, or any other employee, director, officer, trustee, or authorized representative thereof, whether acting alone or in collusion with others;
- ii. war, whether declared or not, civil war, insurrection, rebellion, or any act incidental to any of the foregoing.

**q. On "Premises" "Pollutant" Clean-up:**

The insurance under this form is extended to insure the cost or expenses incurred by the "Insured" to clean up "Pollutants" from land or water, at the "Premises" specified on the Declaration Page, but only if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants":

- (a) is occasioned by loss or damage to property insured at the "Premises" for which insurance is afforded under the form to which the extension is attached;
- (b) is sudden, unexpected and unintended from the standpoint of the "Insured";
- (c) first occurs during the period of coverage of the policy to which this form is attached.

The Insurer's liability with respect to this extension shall not exceed \$50,000 per "Occurrence".

However, the Insurer shall 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" emanating from the "Premises", or which began prior to the period of coverage of the policy to which this form is attached;
- ii. any fines, penalties, punitive or exemplary damages;
- iii. expenses 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 the "Insured", or others, for the purpose of handling, storage, disposal, processing, or treatment of waste;
- iv. costs to test for, monitor, or assess the existence, concentration or effects of "Pollutants", however, this exclusion shall not apply if it has been determined that an insured loss has occurred;

Subject to all terms and conditions and a sub-limit of \$10,000, this policy is also extended to insure loss or damage caused by the dumping of "Pollutants" at the "Premises" without the knowledge or consent of the "Insured", provided the dumping first occurs during the Policy Period.

**Reporting Period:**

It is a condition precedent to recovery under this extension q., that all expenses insured by this extension must be incurred and reported to the Insurer within one hundred eighty (180) days of the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants" for which clean up expenses are claimed.

**r. Personal Property of Officers and Employees:**

"Contents" also includes, at the option of the "Insured", personal property of officers and employees of the "Insured" when such property is not otherwise insured.

The insurance on such property:

- i. shall not attach if it is insured by the owner unless the "Insured" is obliged to insure it or is liable for its loss or damage;
- ii. shall apply only to loss or damage occurring at a location specified on the Declaration Page;
- iii. shall be subject to a limit of \$15,000 in respect of each officer or employee and \$50,000 aggregate limit per Policy Period.

**s. Professionals' Fees:**

The insurance under this form is extended to insure reasonable fees charged by accountants, lawyers, architects, engineers, or other professional consultants (except public adjusters) retained by the "Insured" for the purpose of producing and/or certifying particulars and details required by the Insurer in connection with an insured loss, or expenses necessarily incurred to properly distribute insurance proceeds in accordance with the provisions of the "Loss Payable" clause, the applicable laws and contractual obligations. The Insurer's liability with respect to this extension shall not exceed \$25,000 per "Occurrence".

**t. Property at Temporary Locations:**

Property other than that at a specified location, except while in transit, but there shall be no liability under this extension at any location owned, rented or controlled in whole or in part by the "Insured". The Insurer's liability with respect to this extension shall not exceed \$10,000 per "Occurrence".

**u. Property in Transit:**

Property in transit, including by postal services.

The Insurer's liability with respect to this extension shall not exceed \$10,000 per "Occurrence".

The insurance under Clauses 4.t. and 4.u. applies only while the described property is within Canada or the United States of America. Items included under Clauses 4.t. and 4.u. are not subject to the terms of the co-insurance clause.

**v. Valuable Papers:**

The insurance under this form is extended to cover the extra expense necessarily incurred to replace "Valuable Papers" that have been lost or damaged by an insured peril, subject to clause 7 (Records). The Insurer's liability with respect to this extension shall not exceed \$50,000 per "Occurrence".

### 5. REPLACEMENT COST

- a. The Insurer agrees to effect settlement on the basis of replacement cost subject to the following provisions:
  - i. Replacement shall be effected by the "Insured" with due diligence and dispatch;
  - ii. Replacement cost shall be paid only when replacement has been made by the "Insured" and in no event shall it exceed the amount actually and necessarily expended for such replacement;
  - iii. Failing compliance by the "Insured" with any of the foregoing provisions, settlement shall be made as if this clause had not been in effect.
- b. Any reference to actual cash value in a co-insurance clause in the General Conditions and Limitations section of this policy is deemed to be a reference to replacement cost of the property insured.
- c. Replacement Cost means the cost of replacing, repairing, constructing or re-constructing (whichever is the least) the property on the same site or an adjacent site with new property of like kind and quality and for like occupancy without deduction for depreciation.
- d. Replacement includes repair, construction or re-construction with new property of like kind and quality.
- e. 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 shall be deemed to be new property of like kind and quality.
- f. Exclusions  
This extension does not apply to:
  - i. stock;
  - ii. paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture and silver, bric-a-brac or other articles of art, rarity or antiquity, including but not limited to books, porcelain and glassware;

## PROPERTY

- iii. manuscripts and records, meaning books of accounts, drawings, card index systems and other records, media, "Data" storage devices, and program devices for electronic, electro-mechanical "Data" processing or for electronically controlled "Equipment".

### 6. EXTENDED REPLACEMENT COST CLAUSE

In the event of loss or damage to insured property by a peril insured hereunder, the basis of loss settlement shall be the amount actually and necessarily expended for repairs, replacement or reinstatement as outlined in Clause 5. This amount will not be limited by the sum insured as stated on the Declaration Page and the Insurer(s) agrees to pay up to the Extended Replacement Clause Percentage as shown on the Declaration Page for the additional costs incurred to effect such repair or replacement, but only if the following provisions are met:

- a. The amount shown as the sum insured on the Declaration Page, is equal to or greater than 100% of the appraised replacement value of the property insured as determined by an Accredited Professional Appraisal firm, specializing in Replacement Cost Appraisals in good standing with the Appraisal Institute of Canada or the American Society of Appraisers, and in accordance with the Uniform Standards of Professional Appraisal Practice within 12 (twelve) months prior to the inception date of the policy as shown on the Declaration Page.
- b. The "Insured" shall commence repair, replacement or reinstatement for like occupancy, exercising due diligence and dispatch in effecting the repair, replacement or reinstatement.
- c. The Insurer shall be notified of any additions, renovations or installations to the insured property which would increase the appraised replacement value by an amount in excess of 10% of the insured value, or \$500,000 (whichever is less), within 60 (sixty) days of commencement of construction or acquisition.
- d. Any increased cost to repair, replace or reinstate insured property through the application of any law, by-law, regulation or ordinance shall not be covered by this clause unless the appraisal on file with the Insurer is in compliance with 6.a. above and includes an allowance for these increased costs.

Failure to comply with any of these provisions of this clause shall render this clause null and void and the Insurer's liability will be limited to the sum insured as stated on the Declaration Page.

In no event shall any of the provisions of this clause override or supersede the terms and conditions of Clause 5.

### 7. RECORDS

The liability of the Insurer for loss or damage to:

- a. books of accounts, drawings, card index systems and other records, other than described in b. below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records.
- b. media, "Data" storage devices, and program devices for electronic and electro-mechanical "Data" processing for electronically controlled "Equipment", shall not exceed the cost of reproducing such media, "Data" storage devices and program devices from duplicates or from originals of the media, but no liability is assumed hereunder for the cost of gathering or assembling information or "Data" for such reproduction.

### 8. PROPERTY EXCLUDED

Except as otherwise provided under Clause 4. Extensions of Coverage, this policy does not insure loss or damage caused directly or indirectly to:

- a. land and/or water;
- b. wharves, bridges, piers, docks and other similar property unless such property is included in an appraisal of the property insured and separately identified on the Declaration Page;
- c. motor vehicles designed for use on a public highway and licensed under a motor vehicle act;

- d. money, "Securities", and evidences of debt or title, notes, bullion, stamps, accounts, bills, letters of credit, passports, tickets and other documents having a negotiable or market value;
- e. aircraft, watercraft while afloat;
- f. furs, garments trimmed with fur, jewels, jewellery, watches, pearls, precious or semi-precious stones, gold, silver, platinum and other precious metals or alloys;
- g. property insured under the terms of any marine insurance, and property while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation;
- h. property illegally acquired, kept, stored, or transported, or property seized or confiscated for breach of any law or by order of any public authority;
- i. underground property (except underground storage tanks), sewers, drains, or water-mains located beyond the outside bearing walls or foundations of the property (see "Premises" definition) insured unless the loss or damage is caused directly by "Named Perils" or earthquake or flood (if such perils are insured by this policy), but this exclusion shall not apply to "water features" such as pools, ponds or water falls and their "Equipment", provided that the value of same has been included in the latest Statement of Values or appraisal filed with the Insurer;
- j. outside communication towers, antennae (including satellite receivers) and "Equipment" attached thereto, street clocks, exterior signs, glass windows and doors forming part of the exterior of a "Building" unless such loss or damage is caused by earthquake or flood (if this policy has been extended to cover earthquake or flood), "Named Perils" or from theft or attempt thereof;
- k. growing plants, trees, shrubs, or flowers in the open, animals, fish and birds;
- l. electrical devices or appliances, including wiring, caused by or resulting from artificially generated electrical current unless fire or explosion ensues, and then coverage is provided only for the loss or damage caused by such ensuing fire or explosion;
- m. property more specifically insured elsewhere;
- n. paving, driveways, sidewalks and curbing that is outside the property boundaries at the address shown on the Declaration Page;
- o. personal property belonging to or in the care, custody, or control of an owner or tenant of a condominium "Unit" or residential "Unit";
- p. "Valuable Papers", manuscripts and records, books of accounts, bills, card index systems, media, "Data" storage devices and program devices for electronic and electro-mechanical "Data" processing or for electronically controlled "Equipment", plans, specifications and drawings, evidences of debt or title, letters of credit, passports, tickets, and other documents having a negotiable or market value;
- q. paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture and silver, bric-a-brac or other articles of art, rarity or antiquity, including, but not limited to, books, porcelain and glassware unless such property is owned by the "Condominium Corporation" and used for decorative purposes located in common property as defined in the "Condominium Property Act";
- r. i. any pressure vessel having a normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
- ii. any boiler, including the piping and "Equipment" connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres [24 inches] or less used for the heating and storage of hot water for domestic use);

where damage is caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion shall not apply to:

- a) manually portable gas cylinders;
- b) the explosion of natural, coal or manufactured gas;
- c) explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere;

## PROPERTY

- s. "Improvements and Betterments", as defined, made by, or for, or at the expense of an owner or tenant of a condominium "Unit" or residential "Unit"; however, this exclusion shall not apply if the by-laws of the "Condominium Corporation" require that such "Improvements and Betterments" be insured by the "Condominium Corporation", provided that the value of same has been included in the latest Statement of Values or Appraisal filed with the Insurer.

### 9. PERILS EXCLUDED

Except as otherwise provided under Clause 3.a. (Earthquake Damage Extension) and Clause 3.b. (Flood Damage Extension) and Clause 4. Extensions of Coverage, this form does not insure against loss or damage caused directly or indirectly:

- a. by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- b. in whole or in part 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 loss or damage caused directly by resultant fire, explosion, smoke or leakage from "Fire Protective Equipment", all as described in clause 10.s. This exclusion does not apply to property in transit;
- c. in whole or in part by flood, including "Surface Water", waves, tides, tidal waves, tsunamis, or the breaking out or overflow 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 loss or damage caused directly by resultant fire, explosion, smoke, leakage from "Fire Protective Equipment", all as described in clause 10.s. This exclusion does not apply to property in transit or loss or damage caused directly by leakage from a watermain;
- d. by water damage from seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows, or other openings therein, foundations, basement floors, sidewalks, sidewalk lights, unless concurrently caused by a peril insured and not otherwise excluded;
- e. by centrifugal force, mechanical or electrical breakdown or derangement, but this exclusion does not apply to ensuing loss or damage which results from fire, explosion, smoke or leakage from "Fire Protective Equipment" in which event this policy shall cover only such resulting damage;
- f. by dampness or dryness of atmosphere, wet or dry rot, heating, shrinkage, evaporation, loss of weight, exposure to light, contamination, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by fire, lightning, smoke, windstorm, hail, explosion, strike, riot, impact by aircraft, spacecraft or land vehicle, falling objects, elevator collision, collapse of a "Building" or other structure, leakage from "Fire Protective Equipment", rupture of pipes or apparatus not excluded under Clause 8.r. hereof, vandalism or malicious acts, theft or attempted theft, accident to transporting conveyance, earthquake or flood (if this policy has been extended to cover earthquake or flood). Damage to pipes caused by freezing is insured provided such pipes are not otherwise excluded in clause 8.r. hereof;
- g. by rodents, insects or vermin, unless directly caused by a peril otherwise insured and not otherwise excluded under this form;
- h. by delay, loss of market or loss of use, or loss of occupancy;
- i. (i) by any nuclear incident (as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;  
(ii) by contamination by radioactive material;
- j. by infidelity or any "Fraudulent or Dishonest Acts" on the part of the "Insured", any other party with an insurable interest, employees or

agents of the "Insured", or any person to whom the property is entrusted, misappropriation, secretion, conversion;

- k. by wear and tear, rust or corrosion, gradual deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself, provided, however, to the extent otherwise insured and not otherwise excluded under this policy, resultant damage to the property is insured;
- l. to "Buildings" by:
- i. snowslide, subsidence or other earth movement, unless fire, explosion, smoke or leakage from "Fire Protective Equipment" ensues, and then coverage is provided only for such ensuing loss or damage;
- ii. explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the "Insured", unless fire ensues and then coverage is provided only for such ensuing loss or damage:
- 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 other apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
- c) other vessels and apparatus and pipes connected therewith, while under pressure 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 loss or damage resulting from the explosion of manually portable gas cylinders or tanks having an internal diameter of 610 millimetres (24 inches) or less, used for the heating and storage of hot water for domestic use;
- d) moving or rotating machinery or parts thereof;
- e) any vessels and apparatus and pipes connected therewith while undergoing pressure testing, but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;
- f) gas turbines.

Notwithstanding anything to the contrary in exclusion 9.l.ii., this policy shall cover loss or damage caused:

- (1) directly or indirectly by explosion of :
- a) gas or unconsumed fuel within a furnace, or within the gas passages therefrom to the atmosphere;
- b) manually portable gas cylinders;
- c) tanks having an internal diameter of 610 millimetres ((24 inches) or less used for hot water heating and/or storage;
- d) the pressurized fuel storage tanks of vehicles;
- e) compressed-air receivers;
- (2) by escape of water from any plumbing, refrigerating, air conditioning or heating system (including piping) or from a public water main.
- iii. settling, expansion, contraction, moving, shifting or cracking unless concurrently and directly caused by a peril not otherwise excluded herein.

### NOR DOES THIS POLICY INSURE:

- m. the cost of making good:
- i. faulty or improper material;
- ii. faulty or improper workmanship;
- iii. faulty or improper design;
- provided, however, to the extent otherwise insured and not otherwise excluded under this policy, resultant damage to the property is insured;
- n. mysterious disappearance and or shortage upon taking inventory;

## PROPERTY

- o. loss or damage sustained to "Equipment" or "Contents" while actually being worked upon and directly resulting therefrom, unless caused by a peril not excluded elsewhere in this policy;
- p. i. a) "Data";
- b) loss or damage caused directly or indirectly by "Data Problem". However, if loss or damage caused by "Data Problem" results in the "Occurrence" of further loss of or damage to property insured that is directly caused by "Named Perils" or by the escape of water from any tank, apparatus or pipe, this exclusion 9.p.i.b) shall not apply to such resulting loss or damage. This exception only applies to the extent that such resulting loss or damage would otherwise be insured under this policy.
- ii. Any clause or part thereof in this policy excluding loss due to disturbance or erasure of electronic recording by electric or magnetic injury except by lightning is deleted.
- iii. Any clause of this policy limiting the liability with respect to Records is amended to read as follows:
- Records**  
The liability of the Insurer for loss or damage to:
- a) books of accounts, drawings, card index systems and other records, other than as described in b) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;
- b) media, "Data" storage devices, and program devices for electronic and electro-mechanical "Data" processing or for electronically controlled "Equipment", notwithstanding that "Data" is not insured, shall not exceed the cost of reproducing such media, "Data" storage devices, and program devices from duplicates or from originals of the previous generation of the media, but no liability is assumed hereunder for the cost of gathering or assembling information or "Data" for such reproduction.
- Whichever of the above is applicable shall be the basis to be adopted for the purpose of applying co-insurance.
- iv. If any business interruption, loss of income or revenue, loss of rents, "Extra Expense" or similar forms of coverage are provided by this policy, the Insurer shall not be liable for any loss directly or indirectly caused by "Data Problem" unless:
- a) "Data Problem" results in direct physical loss of or damage to property insured at the insured "Premises" caused by "Named Perils" or by the escape of water from any tank, apparatus or pipe;
- b) "Data Problem" is the direct result of:
- (1) "Named Perils" as defined in this policy;
- (2) the escape of water from any tank, apparatus or pipe;
- (3) earthquake or flood (if this policy has been extended to cover earthquake or flood);
- (4) backing-up of sewers (if this policy includes "Sewer Back-up" coverage);
- at the "Insured's" "Premises".
- The above exceptions a) and b) only apply to the extent that such resulting loss or damage would otherwise be insured under this policy.
- v. **Definitions:**  
For the purpose of this exclusion:  
"Data" means representations of information or concepts, in any form.  
"Data Problem" means:
- a) erasure, destruction, corruption, misappropriation, misinterpretation of "Data";
- b) error in creating, amending, entering, deleting or using "Data";
- c) inability to gain access to, receive, transmit or use "Data".
- q. i. a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "Fungi" or "Spores" unless such "Fungi" or "Spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy;
- b) the cost or expense for any testing, monitoring, evaluating or assessing of "Fungi" or "Spores".
- ii. The Insurer shall not be liable for "Extra Expenses", loss of business income or revenue, loss of rents or any other loss attributable to the interruption of business, provided such coverage is currently included in the policy to which this endorsement is attached, resulting from:
- a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "Fungi" or "Spores" unless such "Fungi" or "Spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy;
- b) the cost or expense for any testing, monitoring, evaluating or assessing of "Fungi" or "Spores".
- iii. **Definitions:**  
For the purpose of this exclusion:  
"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.  
"Spores" includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "Fungi".
- r. i. 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". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage. However, if an act of "Terrorism" results in ensuing loss or damage to insured property, which results directly from fire or explosion as defined by Statute, this exclusion shall not apply to such ensuing loss or damage. In no event shall this be construed to give coverage for any loss of use of the property insured, or any additional charges or expense.
- ii. **Definition:**  
For the purpose of this exclusion:  
"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.
- s. i. direct or indirect loss or damage, cost or expense arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of "Pollutants", including asbestos. This exclusion does not apply to physical loss or damage if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants" is directly caused by a peril not otherwise excluded in this policy. Also, this exclusion does not apply to physical loss or damage to the property insured caused directly by a peril not otherwise excluded in this policy, rupture of pipes or breakage of apparatus, not otherwise excluded elsewhere in the policy, theft or attempted theft, or accident to transporting conveyance. Damage to pipes caused by freezing is insured provided such pipes are not otherwise excluded elsewhere in the policy.
- ii. cost or expense for any testing, monitoring, evaluation or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants".

## PROPERTY

- t. loss or damage caused directly or indirectly, proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of "Buildings" or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.

### 10. DEFINITIONS

- a. **"All Property"** means "Building(s)", "Contents" and "Equipment".
- b. **"Annual Gross Rentals"** means the Gross Rentals during the 12 (twelve) month period immediately before the date of the destruction or damage by a peril insured against to which such adjustments shall be made as necessary to provide for the trends of, variations in or special circumstances affecting Gross Rentals either before or after the destruction or damage or which would have affected Gross Rentals had the destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the destruction or damage would have been obtained during the relative period after the destruction or damage.
- c. **"Board of Directors"** means the persons designated or elected pursuant to the by-laws of the "Condominium Corporation", and includes a Strata Council.
- d. **"Building(s)"** means:
- any "Building" described on the Declaration Page;
  - any other structure on the "Premises" pertaining to such "Building";
  - additions and extensions communicating and in contact therewith;
  - permanent fittings and fixtures attached to and forming part thereof;
  - materials, "Equipment" and supplies for maintenance of, and normal repairs and minor alterations to the "Building" or for "Building" services;
  - floor coverings glued, nailed, secured by moldings or otherwise fixed to the floor including wall to wall rugs of every description;
  - stoves, refrigerators, washers, dryers, air conditioning and other permanently installed domestic electrical appliances;
  - fire extinguishing apparatus;
  - signs;
  - fences;
  - tractors, lawn mowing and landscaping "Equipment" and golf carts, if used exclusively for the maintenance or servicing of the "Building(s)" insured by this policy, or their "Premises";
  - similar and/or common property incidental to the maintenance or use of the "Premises".
- e. **"Burglary"** means the wrongful abstraction of property insured from within "Building(s)" by a person or persons making wrongful entry therein or exit therefrom by actual force and violence as evidenced by visible marks at the place of such entry or exit.
- f. **"Condominium Corporation"** means a corporation constituted under Provincial or Territorial Legislation relating to condominiums or co-ownership by declaration and includes a strata corporation, society, syndicate or an association as so constituted.
- g. **"Condominium Property Act"** means the Condominium Property Act of the Province of Alberta (RSA 2000, Chapter C-22) as amended, or where applicable, any similar statute of any other Province or Territory of Canada, Mutatis Mutandis.
- h. **"Contents"** means personal property not included under "Buildings" owned by the "Condominium Corporation", and similar property belonging to others which the "Insured" is under obligation to keep insured or for which the "Insured" is legally liable, all while situated on the "Premises".
- i. **"Data"** means representations of information or concepts, in any form.
- j. **"Equipment"** means furniture, furnishings, fittings, fixtures, machinery, tools, utensils, appliances, and generally all "Contents" other than stock.

- k. **"Extra Expense"** means the excess (if any) of the total cost during the period of restoration for the purpose of continuing the "Insured's" business over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss occurred including:
- the expense of using other property or facilities of other concerns;
  - other similar necessary emergency expenses;
  - "Extra Expense" incurred in obtaining property for temporary use during the period of restoration necessarily required for the conduct of the "Insured's" business;
  - extraordinary and necessary Property Management Fees, approved by and billed to the "Condominium Corporation";
- but does not include:
- loss of income;
  - "Extra Expense" in excess of that necessary to continue, as nearly as practicable, the "Normal" conduct of the "Insured's" business;
  - the cost of repairing or replacing any of the damaged insured property, except cost in excess of the "Normal" cost of such repairs or replacements, necessarily incurred for the purpose of reducing the total amount of "Extra Expense".
- l. **"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:
- branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
  - any water-mains or appurtenances located outside of the described "Premises" and forming a part of the public water distribution system;
  - any pond or reservoir in which water is impounded by a dam.
- m. **"Fraudulent or Dishonest Acts"** means only "Fraudulent or Dishonest Acts" committed by an employee of the "Insured" with the manifest intent:
- to cause the "Insured" to sustain such loss;
  - to obtain financial benefit for the employee, or for any other person or organization intended by the employee to receive such benefit other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.
- n. **"Gross Rentals"** means the money paid or payable to the "Insured" by tenants in respect of rental of the "Premises".
- o. **"Improvements and Betterments"** means physical structural changes, up-grading or enhancing of an individual "Unit" or residential "Unit" made by or for an individual owner of said "Unit" or residential "Unit". For the purposes of this definition, "Improvements and Betterments" does not include:
- physical structural changes, up-grading or enhancement declared by the said owner and the value of which is included in the most recent appraisal available to the Insurer;
  - "Fire Protective Equipment".
- p. **"Indemnity Period"** means the period beginning with the "Occurrence" of a peril insured against and ending no later than 12 months thereafter or the expiration of the period specified as the "Indemnity Period" on the Declaration Page during which "Gross Rentals" shall be affected in consequence of the destruction or damage by a peril insured against. This period shall not be limited by the expiration of this policy.
- q. **"Insured"** means:
- the person or corporation shown as the "Named Insured" on the Declaration Page and attached hereto.
  - the "Condominium Corporation" described on the Declaration Page and attached hereto and referred to in this form as the "Condominium Corporation";

## PROPERTY

- iii. each other person or corporation not included in Clause 10.q.i. or Clause 10.q.ii. inclusive of this definition but who is deemed by the "Condominium Property Act", to be an "Insured";
- iv. **Special Condition Applicable to Co-operative Housing Societies**

If the subject matter of this policy of insurance is a Co-operative Housing Society, it is understood and agreed that the words "co-operative" and "shareholder" are substituted respectively for the words "Condominium Corporation" and "Unit owner", except under General Condition 22.
- r. " **Named Insured**" means the person or corporation shown as the "Named Insured" on the Declaration Page and attached hereto.
- s. **"Named Perils"** means direct physical loss or damage caused by the following:
  - i. Fire or Lightning
  - ii. Explosion

Except with respect to explosion of natural, coal or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the "Insured":

    - a) i) 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;
    - ii) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
    - iii) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type, and the flues or passages which conduct the gases of combustion therefrom;
    - iv) smelt dissolving tanks;
  - b) other vessels and apparatus, and pipes connected therewith, 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 except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
  - c) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
  - d) any vessels, apparatus and pipes connected therewith while undergoing pressure testing, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosion;
  - e) gas turbines.

The following are not explosions within the intent or meaning of this section:

  - a) electric arcing or any coincident rupture of electrical "Equipment" due to such arcing;
  - b) bursting or rupture caused by hydrostatic pressure or freezing;
  - c) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.
- iii. Impact by Aircraft, Spacecraft or Land Vehicle

Aircraft and spacecraft include articles dropped therefrom. There shall in no event be any liability hereunder due to cumulative damage or for loss or damage:

  - a) caused by land vehicles belonging to or under the control of the "Insured" or any of the "Insured's" employees;
  - b) to aircraft, spacecraft or land vehicles causing the loss;
  - c) caused by any aircraft or spacecraft when being taxied or moved inside or outside of "Buildings".
- iv. Riot, Vandalism or Malicious Acts

Riot includes open assemblies of strikers inside or outside the "Premises" who have quit work and/or locked-out employees. There shall in no event be any liability hereunder for loss or damage:

  - a) due to cessation of work, or by interruption to process, or business operations, or by change(s) in temperature;
  - b) due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under Clause 9.l.ii. and 10.s.ii.;
  - c) due to theft or attempted theft.
- v. Smoke

Smoke means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability hereunder for any cumulative damage.
- vi. Leakage from "Fire Protective Equipment"
- vii. Windstorm or Hail

There shall in no event be any liability hereunder for loss or damage:

  - a) to the interior of the "Buildings" insured or their "Contents" unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
  - b) 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, landslide.
- t. **"Normal"** means the condition that would have existed had no loss occurred.
- u. **"Normal Condominium Fees"** means the regular payment made to the "Condominium Corporation" by "Unit" owners based on their "Unit" entitlement, "Unit" factor or percentage interest and used to service the common property, but not including any special assessments that are payable or have been incorporated in the "Normal Condominium Fees".
- v. **"Occurrence"**

For the purposes of this policy, an "Occurrence" shall be defined as a loss and/or series of losses which are attributable directly or indirectly to one cause, disaster or "Occurrence". All such losses shall be added together and the total amount of such losses shall be treated as one loss irrespective of the period or area over which the losses occur.

With respect to any loss involving in whole or in part the perils of flood, lightning, tornado, windstorm, cyclone, hurricane or hail, the terms "one cause, disaster or occurrence" shall mean one single disturbance as designated by the Canadian or United States Weather Bureau. In the event the Bureau does not make such designation, all atmospheric disturbances occurring within any consecutive seventy-two (72) hours commencing during the term of this policy shall be construed to be a single cause, disaster or "Occurrence". The expiration of this policy will not reduce the 72 hour period.

With respect to any loss involving the peril of earthquake, if more than one earthquake shock occurs within any consecutive one hundred sixty-eight (168) hours commencing during the term of this policy, solely for the purpose of determining the applicable deductible therefore, such shocks shall be deemed to be a single earthquake "Occurrence". The expiration of this policy will not reduce the 168 hour period.
- w. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant, or contaminants including odour, vapour, fumes, acids, alkalis, chemicals and "Waste". "Waste" includes materials to be recycled, reconditioned or reclaimed.
- x. **"Premises"** means the entire area within the property lines at the location(s) herein described, including areas under adjoining sidewalks and driveways, and in the open within 304.8 metres (1,000 feet) thereof.
- y. **"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



## PROPERTY

- (including, but not limited to lottery tickets), but does not include money.
- z. **"Sewer Back-up"** means loss or damage caused by the backing up of sewers, sumps, septic tanks or drains.
  - aa. **"Standard Gross Rentals"** means the Gross Rentals during that period in the 12 (twelve) months immediately before the date of the destruction or damage by a peril insured against or which corresponds with the Indemnity Period to which such adjustments shall be made as may be necessary to provide for the trends of, variations in or special circumstances affecting the Gross Rentals either before or after the destruction or damage or which would have affected the Gross Rentals had the destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the destruction or damage would have been obtained during the relative period after the destruction or damage.
  - bb. **"Surface Water"** means water or natural precipitation temporarily diffused over the surface of the ground.
  - cc. **"Unit"** means a condominium unit, strata lot or exclusive portion described in the Strata Declaration or Co-ownership Declaration or By-laws of the "Condominium Corporation" as defined in Provincial or Territorial Legislation relating to condominiums and includes property occupying a "Unit" that does not consist of common property or a common facility as so defined.
  - dd. **"Valuable Papers"** means printed, or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages, manuscripts, but does not mean money or "Securities", nor electronic "Data" processing media.

### GENERAL CONDITIONS AND LIMITATIONS

Governing the Property Section of the policy,  
all forms and endorsements attached thereto.  
(Provinces other than Quebec)

#### 1. INSURING AGREEMENTS

The Insurer, in consideration of the payment of the premium, in reliance upon the statements on the Declaration Page and subject to all the terms and conditions of this policy and the forms and endorsements attached, agrees with the "Named Insured" as follows:

In the event that any of the property insured be lost, destroyed or damaged by perils insured in the forms and endorsements attached hereto, at any time while this policy is in force, the Insurer will indemnify the "Insured" against the direct loss so caused to an amount not exceeding whichever is the least of:

- a. the actual cash value of the property at the time of loss, destruction or damage;
- b. the interest of the "Insured" in the property;
- c. the limit of liability provided by the policy in respect of the property lost, destroyed or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the Insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the specified limit or limits of liability.

The following extensions of coverage, subject to the policy exclusions, shall not increase the limit(s) of liability or amount(s) of insurance applying under this policy to the property lost, destroyed or damaged:

##### (A) Temporary Removal:

If any of the insured property is necessarily removed from the location(s) specified herein to prevent loss, destruction or damage or further loss, destruction or damage thereto, that part of the insurance under this policy that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 7 (seven) days only, or for the unexpired term of the policy if less than 7 (seven) days, insure the property removed and any property remaining in the location(s) specified herein in the proportions which the value of the property in each of the respective locations bears to the value of the property in them all. This policy hereby includes the cost of removal and return

of insured property endangered by a peril for which indemnity is provided under this policy.

##### (B) Debris Removal:

The Insurer will indemnify the "Insured" for expenses incurred in the removal, from the "Premises" insured, of debris and/or "Pollutants" as defined in this policy, of the property insured occasioned by loss or damage to such property for which loss or damage insurance is afforded under this policy.

The Insurer will indemnify the "Insured" for expenses incurred in the removal of debris or other property which is not insured by this policy, but which has been blown by windstorm upon the location(s) specified on the Declaration Page.

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the co-insurance clause forming a part of this policy.

##### (C) Tear-Out Clause:

Without increasing the amount of insurance, and only as a result of loss or damage caused by a peril insured against, the Insurer will indemnify the "Insured" for the cost of necessary tearing out or demolition of any undamaged portions of the "Building(s)" or structure(s) in order to effect repairs, replacement, construction, or reconstruction of the property insured. The Insurer will also indemnify the "Insured" for necessary expenses incurred in the removal of such debris from the "Premises" in respect of such tearing out or demolition of any undamaged portions of the "Building(s)" or structure(s). The Insurer's liability with respect to this Tear-Out Clause shall not exceed \$25,000 per "Occurrence".

#### 2. DEDUCTIBLE CLAUSE

Unless otherwise provided for elsewhere in the policy, the Insurer is liable only for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount stated on the Declaration Page for the applicable form as deductible in any one "Occurrence". This deductible clause shall apply separately to each location described on the Declaration Page. Should any "Occurrence" give rise to the application of more than one deductible amount for any one location in this section of the policy, then only the highest single deductible amount will be applied.

#### 3. a. CO-INSURANCE CLAUSE

The "Insured" shall maintain insurance concurrent in form, range and wording, with this policy on the property insured to the extent of at least the co-insurance percentage, where designated on the Declaration Page, of the actual cash value thereof, and failing to do so, shall only be entitled to recover that portion of a loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

This clause applies separately to each item for which a co-insurance percentage is specified on the Declaration Page and only where the total loss exceeds the lesser of 5% of the applicable amount of insurance or \$10,000.

##### b. STATED AMOUNT CO-INSURANCE CLAUSE

Where designated on the Declaration Page for the applicable form as "Stated Amount Co-insurance Applies" and in consideration of either a Statement of Values filed and attested by the "Insured" or an independent appraisal completed by an Accredited Professional Appraisal firm, specializing in Replacement Cost Appraisals in good standing with the Appraisal Institute of Canada or the American Society of Appraisers, and in accordance with the Uniform Standards of Professional Appraisal Practice dated not more than twelve (12) months prior to the inception date of the policy as shown on Declaration Page, the following clause is substituted for the Co-insurance Clause 3.a. above:

It is part of the consideration of this policy and the basis upon which the rate of premium is fixed, that the "Insured" shall maintain insurance by, or concurrent in form, range and wording with this policy on the property hereby insured, so that the total amount of insurance on the said property shall not be less than the amount indicated in the Statement of Values or Appraisal and that, failing to do so, the "Insured" shall be a co-insurer to the extent of an amount sufficient to make the total insurance on the said property equal to

## PROPERTY

the amount indicated in the Statement of Values or Appraisal and, in that capacity, shall bear their proportion of any loss that may occur.

### 4. VERIFICATION OF VALUES

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

### 5. PERMISSION

Permission is hereby granted:

- a. for demolition, reconstruction, new construction, alterations and repairs of any kind, provided they do not exceed ten percent (10%) of the limit of insurance shown on the Declaration Page or \$500,000 maximum, whichever is the least. Subject to the foregoing, insurance on the property covered under this policy is hereby extended to said construction, alterations and repairs of any kind, and this policy shall insure all materials and supplies on the "Premises" in connection therewith, subject to all the terms and conditions of this policy and to any adjustment of premium deemed necessary;
- b. to do such work and to keep and use such articles, material and supplies in such quantities as are usual or necessary to the "Insured's" business of owning, operating and maintaining the insured "Premises";
- c. for the condominium "Building" to remain vacant or unoccupied:
  - i. during its initial sale period for a term not exceeding thirty (30) consecutive days;
  - ii. for any individual "Unit" or "Building" to remain vacant or unoccupied providing however the entire condominium "Building" shall not be vacant or unoccupied for a period of more than thirty (30) consecutive days.

### 6. BREACH OF CONDITIONS

Where a loss occurs and there has been a breach of condition relating to a matter before the happening of the loss, which breach would otherwise disentitle the "Insured" from recovery under this policy, the breach shall not disentitle the "Insured" from recovery if the "Insured" establishes that the loss was not caused or contributed to by the breach of condition or if the breach of condition occurred in any portion of the "Premises" over which the "Insured" has no control. Notwithstanding anything contained elsewhere in this policy, any breach of a condition of the policy, whether by commission or omission, by one of the parties hereby insured shall not prevent recovery by any other party hereby insured who is innocent of such act or breach. This policy will not be invalidated by a breach of condition by an individual unit owner and if residents of his household, his spouse, the relatives of either and any other person under the age of 21 in the care of the unit owner.

### 7. NO CONTROL

This policy shall not be affected or invalidated by:

- a. failure of the "Insured" to comply with any warranties or conditions endorsed hereon applicable to any portion of the property insured over which the "Insured" has no control;
- b. the acts of others over which the "Insured" has no control.

### 8. REINSTATEMENT

Loss under any one item of this policy shall not reduce the applicable amount of insurance except for the perils of earthquake and flood which are subject to an Annual Aggregate Limit.

### 9. OTHER INSURANCE

If at the time of loss, there is any other collectible insurance (other than excess insurance) written for the "Named Insured" which covers such loss, or which would have covered such loss but for the existence of this policy, the Insurer's liability under this policy shall be for the proportion of the loss that the amount of insurance provided herein bears to the total amount of collectible insurance. However, this clause shall not apply to PROPERTY INSURANCE, clause 4.b. Additional Living Expenses.

### 10. CURRENCY CLAUSE

All limits of liability, deductible amounts, premiums and other amounts stated in this policy are in Canadian currency.

### 11. JOINT LOSS AGREEMENT

In the event of loss or damage, should a dispute arise between the Property and the Boiler and Machinery Insurers as to which Insurer is liable or as to the proportion of loss to be paid by each Insurer, it is understood and agreed that the Insurance Bureau of Canada Agreement respecting disputed losses between the Property Insurance and the Boiler and Machinery Insurance policies shall be applicable.

### 12. WAIVER OF TERM OR CONDITION

- a. No term or condition of this policy shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer.
- b. Neither the Insurer nor the "Insured" shall be deemed to have waived any term or condition of this policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this policy.

### 13. PROPERTY OF OTHERS

At the option of the Insurer, any loss or damage to the property of others, may be paid to the "Insured" or adjusted with and paid to the customer or the owner of the property.

### 14. CIVIL AUTHORITY ACTION

This policy is extended to include the actual loss as covered hereunder during the period of time, not exceeding thirty (30) days, while access to the described premises is prohibited by order of civil authority, but only when such order is given as a direct result of damage to neighbouring premises by a peril that would have been insured against had the loss occurred on the premises.

### 15. LIBERALIZATION CLAUSE

If, during the period that insurance is in force under this policy, the Insurer shall introduce any broadening of this form or its replacement, and for which no additional premium is charged, then such broadened insurance shall inure to the benefit of the "Insured" hereunder.

### 16. NOTICE TO AUTHORITIES

Where the loss is due to malicious acts, "Burglary", robbery, theft or attempted theft or is suspected to be so due, the "Insured" shall give immediate notice to the police or other authorities having jurisdiction.

### 17. NO BENEFIT TO BAILEE

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

### 18. PAIR AND SET

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

### 19. PARTS

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

### 20. SUE AND LABOUR

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

### 21. BASIS OF LOSS SETTLEMENT

Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

### 22. RELEASE AND SUBROGATION

(1) The insurer, on making a payment or assuming liability under this policy, is subrogated to all rights of recovery of the "Insured" against any person, and may bring an action in the name of the "Insured" to enforce those rights.

## PROPERTY

(2) If 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 must be divided between the insurer and the "Insured" in the proportions in which the loss or damage has been borne by them respectively.

Except with respect to arson, fraud or vehicle impact, the Insurer agrees with the "Insured" to waive its right of subrogation as to any claim against:

- a. the "Condominium Corporation", its Directors and Officers, Property Managers, Agents and Employees.
- b. the "Unit" owners and if residents of a "Unit" owner's household, the spouse, the relatives of either and any other person under the age of twenty-one (21) in the care of a "Unit" owner or their spouse.

Independent contractors shall not be considered agents or employees of the "Condominium Corporation", its Directors and Officers, Property Managers, or of the "Unit" owners.

Any release from liability entered into by the "Insured" prior to loss shall not affect the right of the "Insured" to recover under the policy except with respect to arson, fraud and vehicle impact.

### 23. AGENCY CLAUSE

The "Named Insured" shall be deemed to be the sole and irrevocable agent of each and every other "Insured" under this policy for the purpose of:

- a. instructing or agreeing with the Insurers on alterations of the policy wording;
- b. making or receiving payments of premiums or adjustments of premium;
- c. giving to or receiving from the Insurers all notices contemplated by the policy, including notices of cancellation, damage or claim.

Upon the agreement to settle any loss under this policy, payment therefor shall be made to the order of the "Named Insured" and every other "Insured" who shared in the loss sustained in accordance with the written direction of the "Named Insured".

The "Named Insured" who obtained this policy and paid the premium therefor did so on their own behalf and as agent for the others insured herein, including those referred to by general description. It is specifically acknowledged and agreed by the Insurers as evidenced by their acceptance of the premium paid that, if the "Named Insured" shall so elect, any person or corporation coming within the description of an unnamed person insured by this policy may ratify such agency at any time subsequent to the issuance of the policy for the purpose of entitlement to coverage granted by its terms for good consideration. It is further specifically agreed that any coverage provided by this policy for Additional "Insureds" (whether named or unnamed) shall apply solely at the option of the "Named Insured".

### 24. SEVERABILITY OF INTERESTS

Coverage under this policy applies individually as to the interest of each "Insured" covered herein in the same manner and to the same extent as if a separate policy had been issued to each; however, these provisions shall not increase the limits of liability or the deductible(s) for any one "Occurrence" beyond the amounts that would apply in the absence of this clause.

### 25. POLICY WORDING

It is understood and agreed that the language of this policy is the language of the Insurer.

### 26. BILLS OF LADING

The "Insured" may, without prejudice to this insurance, accept such bills of lading, receipts or contracts of carriage as are ordinarily issued by carriers, containing a limitation as to the value of goods and/or merchandise.

### 27. ERRORS OR OMISSIONS

It is hereby understood and agreed that any error and/or omission in the name of the "Insured" and/or in title, map reference, description or location of the property insured hereunder shall not void or impair this insurance.

### 28. SUIT AGAINST INSURER

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. An action or proceeding against an insurer in relation to a contract must be commenced,

(a) in the case of loss or damage to insured property, not later than 2 years after the date the insured knew or ought to have known the loss or damage occurred, and

(b) in any other case, not later than 2 years after the date the cause of action against the insurer arose.

### 29. TERMINATION

This policy may be terminated:

- a. by the "Named Insured" at any time upon request. If this contract is terminated by the "Named Insured", the Insurers shall refund as soon as practicable any premium actually paid by the "Named Insured" that is excess over the Short Rate premium earned for the expired term, but in no event shall such Short Rate earned premium be deemed to be less than any minimum retained premium specified on the Declaration Page.

If the Insurer has issued or has received a Certificate of Insurance that states specifically that prior notice of cancellation shall be given to a third party, only the interest of such third party shall continue to be insured after the date of cancellation of cover by the "Insured" until the Insurer has given the notice required by the said Certificate;

- b. by the Insurer giving to the "Named Insured" thirty (30) days notice of termination (either by registered mail or personally delivered or served). In case of termination for non-payment of premium, this policy can be terminated by the Insurer giving to the "Named Insured" fifteen (15) days notice by registered mail or five (5) days written notice if personally delivered.

If this contract is terminated by the Insurer:

- i. any premium actually paid by the "Named Insured" that is excess over the pro rata premium earned for the expired term shall be immediately refunded, but in no event shall such pro rata earned premium be deemed to be less than any minimum retained premium specified in this policy;
- ii. the number of days' notice, if given by registered letter, commences to run on the day following receipt at the post office to which it is addressed;
- iii. the refund may be made by money, postal or express company money order or cheque payable at par;
- iv. the refund shall accompany the notice of cancellation unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

In those jurisdictions where provincial legislation under which the "Condominium Corporation" is constituted prescribes different policy termination conditions from those contained in the Statutory Conditions or General Conditions of this policy as the case may be, such prescribed conditions shall apply.

### 30. NOTICE TO INSURER

It is agreed that any notice required to be given to the Insurer may be given by the "Named Insured" to the BFL CANADA office shown on the Declaration Page.

### 31. LOSS PAYABLE

Loss, if any, shall be payable in accordance with the provisions of the provincial legislation under which the "Condominium Corporation" is constituted. If the legislation has no such provisions, loss, if any, shall be payable as stated on the Declaration Page.

### 32. PROPERTY PROTECTION SYSTEMS

It is agreed that the "Insured" shall notify forthwith the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the "Insured", in any:

- a. sprinkler or other fire extinguishing system; or
  - b. fire detection system or intrusion system;
- and shall also notify forthwith the Insurer of the cancellation or non-renewal of any contract providing monitoring or maintenance services to any of these systems.

### 33. AUTOMATIC PROTECTION AGREEMENT

(Applicable when any cooking apparatus is used for the preparation of food for commercial purposes.)

## PROPERTY

The rate of premium being used having regard to the fact there is present in the risk a fully automatic Wet, Dry Chemical or CO<sup>2</sup> Extinguishing System, it is understood and agreed that:

- a. The "Insured" shall forthwith notify the Insurer of any interruption to or flaw or defect in the system coming to the knowledge of the "Insured";
- b. The "Insured", if owner or lessee of the system, shall provide for regular inspection and maintenance of the equipment as recommended by the manufacturer with a minimum of a semi-annual inspection of the system by the manufacturer's authorized representative.

### **STATUTORY CONDITIONS**

(Alberta)

#### **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**

(1) The insured must promptly give notice in writing to the insurer or its agent of a change that is

- (a) material to the risk, and
- (b) within the control and knowledge of the insured.

(2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.

(3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may

- (a) terminate the contract in accordance with Statutory Condition 5, or
- (b) 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.

(4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5(2)(a) applies in respect of the unearned portion of the premium.

#### **5. Termination of insurance**

(1) The contract may be terminated

- (a) 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
- (b) by the insured at any time on request.

(2) 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.

(3) 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.

(4) The 15 day period referred to in subparagraph (1)(a) 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**

(1) 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,

- (a) immediately give notice in writing to the insurer,
- (b) 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,
  - (i) 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,
  - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
  - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
  - (iv) stating the amount of other insurances and the names of other insurers,
  - (v) 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,
  - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
  - (vii) stating the place where the insured property was at the time of loss,
- (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and

- (d) if required by the insurer and if practicable,
  - (i) produce books of account and inventory lists,
  - (ii) furnish invoices and other vouchers verified by statutory declaration, and
  - (iii) furnish a copy of the written portion of any other relevant contract.

(2) The evidence given, produced or furnished under subparagraph (1)(c) and (d) 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(1)(a) may be given and the proof of loss under Statutory Condition 6(1)(b) 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**

(1) 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

## PROPERTY

under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.

- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) 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

(1) 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.

(2) There is no right to a dispute resolution process under this condition until

- (a) a specific demand is made for it in writing, and  
(b) 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

- (1) 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.  
(2) If the insurer gives notice under subparagraph (1) 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

- (1) 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.  
(2) 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.

LSW1814 (01/07/12)

#### NOTE:

If the "INSURED LOCATION" as shown on the Declaration Page is in a Province or Territory other than Alberta, then the Statutory Conditions applicable in that Province or Territory shall apply to this policy. Please refer to the attached Endorsement for the applicable Statutory Conditions in that Province or Territory which shall supersede the Alberta Statutory Conditions recited above.

#### ENDORSEMENT

Attached to and forming part of Policy No. \_\_\_\_\_

NAMED INSURED: \_\_\_\_\_

Effective Date: \_\_\_\_\_

IT IS HEREBY DECLARED AND AGREED THAT with respect to any "INSURED LOCATION" shown on the Declaration Page as being situated in the Province of Ontario, the Statutory Conditions applicable to SECTION I – PROPERTY INSURANCE are amended to read as follows:

### STATUTORY CONDITIONS

(Ontario)

#### 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 and Insolvency 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 thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

#### 5. Termination

- This contract may be terminated,
  - by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
  - by the insured at any time on request.
- Where this contract is terminated by the insurer,
  - 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
  - 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.
- Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of the 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.
- The refund may be made by money, postal or express company money order or cheque payable at par.
- The fifteen days mentioned in clause 1(a) 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. Requirements After Loss

- Upon the occurrence of any loss or of damage to the insured property, the insured shall, if the loss or damage is covered by the

## PROPERTY

contract, in addition to observing the requirements of conditions 9, 10 and 11,

- (a) forthwith give notice thereof in writing to the insurer;
- (b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,
  - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
  - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
  - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
  - (iv) showing the amount of other insurances and the names of other insurers,
  - (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
  - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract, showing the place where the property insured was at the time of loss;
- (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
- (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

2. The evidence furnished under clauses 1(c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

### 7. Fraud

Any fraud or wilfully 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

Notice of loss may be given and proof of loss may be made by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

### 9. Salvage

1. The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
2. The insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph (1) of this condition according to the respective interests of the parties.

### 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, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisement or particular estimate of the loss or damage, but the insurer is not entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

### 11. Appraisal

In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract whether the right to 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.

### 12. When Loss Payable

The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

### 13. Replacement

1. The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
2. In that event the insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

### 14. Action

Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.

### 15. Notice

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 the contract 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.

LSW1193A (6/05)

## ENDORSEMENT

Attached to and forming part of Policy No. \_\_\_\_\_

NAMED INSURED: \_\_\_\_\_

Effective Date: \_\_\_\_\_

IT IS HEREBY DECLARED AND AGREED THAT with respect to any "INSURED LOCATION" shown on the Declaration Page as being situated in the Province of Saskatchewan, the Statutory Conditions applicable to SECTION I – PROPERTY INSURANCE are amended to read as follows:

### STATUTORY CONDITIONS

(Saskatchewan)

#### 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 and Insolvency Act (Canada) or change of title by succession, by operation of law, or by death.

## PROPERTY

### 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 thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

### 5. Termination

1. This contract may be terminated,
  - (a) by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
  - (b) by the insured at any time on request.
2. Where this contract is terminated by the insurer,
  - (a) the insurer shall refund the excess of premium actually paid by the insured over the pro rata premium for the expired time, but, in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
  - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
3. Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of the 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 1(a) 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. Requirements After Loss

1. 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,
  - (a) forthwith give notice thereof in writing to the insurer;
  - (b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,
    - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - (iv) showing the amount of other insurances and the names of other insurers,
    - (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
    - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
    - (vii) showing the place where the property insured was at the time of loss;

- (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
- (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

2. The evidence furnished under clauses 1(c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

### 7. Fraud

Any fraud or wilfully 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

Notice of loss may be given and proof of loss may be made by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

### 9. Salvage

1. The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
2. The insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph (1) of this condition according to the respective interests of the parties.

### 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, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer is not entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

### 11. Appraisal

In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract whether the right to 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.

### 12. When Loss Payable

The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

### 13. Replacement

1. The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
2. In that event the insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

### 14. Action

## PROPERTY

Saskatchewan Statutory Condition 14 is repealed. See The Limitations Act, S.S. 2004, c.L-16.1.

### 15. Notice

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 the contract 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.

LSW1192A (6/05)

---

## ENDORSEMENT

Attached to and forming part of Policy No. \_\_\_\_\_

NAMED INSURED: \_\_\_\_\_

Effective Date: \_\_\_\_\_

IT IS HEREBY DECLARED AND AGREED THAT with respect to any "INSURED LOCATION" shown on the Declaration Page as being situated in the Province of Manitoba, the Statutory Conditions applicable to SECTION I – PROPERTY INSURANCE are amended to read as follows:

### STATUTORY CONDITIONS

(Manitoba)

#### 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

1. 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

1. The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.
2. If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
3. If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
  - (a) terminate the contract in accordance with Statutory Condition 5,
  - or
  - (b) 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.
4. If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

#### 5. Termination of contract

1. The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
2. 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



## PROPERTY

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.
3. 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.
4. The 15-day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address. Manitoba Stat Cond

### 6. Requirements after loss

1. 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,
  - (a) immediately give notice in writing to the insurer,
  - (b) 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
    - (i) 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,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - (iv) stating the amount of other insurances and the names of other insurers,
    - (v) 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,
    - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
    - (vii) stating the place where the insured property was at the time of loss,
  - (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - (d) if required by the insurer and if practicable,
    - (i) produce books of account and inventory lists,
    - (ii) furnish invoices and other vouchers verified by statutory declaration, and
    - (iii) furnish a copy of the written portion of any other relevant contract.
2. The evidence given, produced or furnished under subparagraph (1) (c) and (d) 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 (1) (a) may be given and the proof of loss under of Statutory Condition 6 (1) (b) 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

1. 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.
2. The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) 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

1. 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.
2. There is no right to a dispute resolution process under this condition until
  - (a) Manitoba Stat Cond a specific demand is made for it in writing, and
  - (b) 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

1. 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.
2. If the insurer gives notice under subparagraph (1) 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

1. 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.
2. 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.

LSW1851 (17/10/14)

## PROPERTY

### ACCREDITED APPRAISAL FIRMS

This Endorsement modifies the coverage provided under the Property form attached to this policy.

It is understood and agreed that the following changes are made to the Policy:

(1) Property Insurance, Section 6.a is deleted and replaced with the following:

#### **PROPERTY INSURANCE**

##### **6) EXTENDED REPLACEMENT COST CLAUSE**

- a) The amount shown as the sum insured on the Declaration Page, is equal to or greater than 100% of the appraised replacement value of the property insured as determined by an Accredited Professional Appraisal firm, specializing in Replacement Cost Appraisals in good standing with the Appraisal Institute of Canada or the American Society of Appraisers or the Canadian Institute of Quantity Surveyors or the Real Estate Institute or the Canadian National Association of Real Estate Appraisers, and in accordance with the Uniform Standards of Professional Appraisal Practice within 12 (twelve) months prior to the inception date of the policy as shown on the Declaration Page.

(2) General Conditions and Limitations, Section 3.b is deleted and replaced with the following:

#### **GENERAL CONDITIONS AND LIMITATIONS**

##### **3) b. STATED AMOUNT CO-INSURANCE CLAUSE**

Where designated on the Declaration Page for the applicable form as "Stated Amount Co-insurance Applies" and in consideration of either a Statement of Values filed and attested by the "Insured" or an independent appraisal completed by an Accredited Professional Appraisal firm, specializing in Replacement Cost Appraisals in good standing with the Appraisal Institute of Canada or the American Society of Appraisers or the Canadian Institute of Quantity Surveyors or the Real Estate Institute or the Canadian National Association of Real Estate Appraisers, and in accordance with the Uniform Standards of Professional Appraisal Practice dated not more than 12 (twelve) months prior to the inception date of the policy as shown on the Declaration Page, the following clause is substituted for the Co-insurance Clause 3.a above:

It is part of the consideration of this policy and the basis upon which the rate of premium is fixed, that the "Insured" shall maintain insurance by, or concurrent in form, range and wording with this policy on the property hereby insured, so that the total amount of insurance on the said property shall not be less than the amount indicated in the Statement of Values or Appraisal and that, failing to do so, the "Insured" shall be a co-insurer to the extent of an amount sufficient to make the total insurance on the said property equal to the amount indicated in the Statement of Values or Appraisal and, in that capacity, shall bear their proportion of any loss that may occur.

Except as otherwise provided in this endorsement, all terms, provisions and conditions of the policy shall have full force and effect. All terms not otherwise defined in this endorsement will have the same meaning as in the form to which this endorsement is attached.

### FREEZING PIPE DEDUCTIBLE

This Endorsement modifies the coverage provided under the Property form attached to this policy.

It is understood and agreed that the following changes are made to the Policy:

The Water Damage Deductible is to apply to any ensuing water damage resulting directly from freezing of pipes.

Except as otherwise provided in this endorsement, all terms, provisions and conditions of the policy shall have full force and effect. All terms not otherwise defined in this endorsement will have the same meaning as in the form to which this endorsement is attached.

### EXTENDED REPLACEMENT COST CLAUSE ENDORSEMENT

This Endorsement modifies the coverage provided under the Property form attached to this policy.

It is understood and agreed that the following changes are made to the Policy:

(1) Property Insurance, Section 6. is deleted and replaced with the following:

##### **6) EXTENDED REPLACEMENT COST CLAUSE**

In the event of loss or damage to insured property by a peril insured hereunder, the basis of loss settlement shall be the amount actually and necessarily expended for repairs, replacement or reinstatement as outlined in clause 5. In the event of fire this amount will not be limited by the sum insured as stated on the Declaration Page and the Insurer(s) agrees to pay up to the Extended Replacement Clause Percentage as shown on the Declaration Page for the additional costs incurred to effect such repair or replacement, but only if the following provisions are met:

- a) The amount shown as the sum insured on the Declaration Page is equal to or greater than 100% of the appraised replacement value of the property insured as determined by an Accredited Professional Appraisal firm, specializing in Replacement Cost Appraisals in good standing with the Appraisal Institute of Canada, the American Society of Appraisers, the Canadian Institute of Quantity Surveyors, the Real Estate Institute or the Canadian National Association of Real Estate Appraisers, and in accordance with the Uniform Standards of Professional Appraisal Practice within 12 (twelve) months prior to the inception date of the policy as shown on the Declaration Page.
- b) The "Insured" shall commence repair, replacement or reinstatement for like occupancy, exercising due diligence and dispatch in effecting the repair, replacement or reinstatement.
- c) The Insurer shall be notified of any additions, renovations or installations to the insured property which would increase the appraised replacement value by an amount in excess of 10% of the insured value, or \$500,000 (whichever is less), within 60 (sixty) days of commencement of construction or acquisition.
- d) Any increased cost to repair, replace or reinstate insured property through the application of any law, by-law, regulation or ordinance shall not be covered by this clause unless the appraisal on file with the Insurer is in compliance with 6.a. above and includes an allowance for these increased costs.

Failure to comply with any of these provisions of this clause shall render this clause null and void and the Insurer's liability will be limited to the sum insured as stated on the Declaration Page.

In no event shall any of the provisions of this clause override or supersede the terms and conditions of Clause 5.

**MORTGAGE CLAUSE**

Where a Loss Payee is designated on the Declaration Page "as per Standard Mortgage Clause", the following clause shall apply:

---

**STANDARD MORTGAGE CLAUSE**  
(Approved by The Insurance Bureau of Canada)

It is hereby provided and agreed that:

**a. 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 shall 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;

Provided always that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard that shall come to his knowledge; and that every increase of hazard (not permitted by the policy) shall 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.

**b. 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 therefor existed, it shall be legally subrogated to all rights of the Mortgagee against the "Insured"; but any subrogation shall be limited to the amount of such loss payment and shall 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 shall thereupon receive a full assignment and transfer of the mortgage together with all "Securities" held as collateral to the mortgage debt.

**c. Other Insurance:**

If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee – at law or in equity – then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.

**d. 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 deliver the required Proof of Loss under the policy, then the Mortgagee may give notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.

**e. Termination:**

The term of this Mortgage Clause coincides with the term of the policy; Provided always that the Insurer reserves the right to cancel the policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

**f. Foreclosure:**

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 shall 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 shall 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.

## PROPERTY

### AIG INSURANCE COMPANY OF CANADA

It is hereby agreed and declared that solely with respect to AIG Insurance Company of Canada's participation as a subscribing property insurer, the following provisions are added:

#### **CUSTOMER ADVISORY REGARDING THE ENFORCEMENT OF ECONOMIC EMBARGOES AND TRADE SANCTIONS**

This Trade Sanction Advisory is part of **AIG Insurance Company of Canada** comprehensive compliance program and is meant to serve as a reminder of the existing applicable legal requirements with respect to Trade Sanctions.

Your rights as a policyholder and payments to you, any insured or claimant, for loss under this policy may be affected by the administration and enforcement of economic embargoes and trade sanctions applicable to you, any insured, claimant and/or to the insurer and their respective controlling entities (hereinafter "Trade Sanctions").

#### **WHAT IS AN ECONOMIC EMBARGO AND/OR TRADE SANCTION**

Trade Sanctions involve the imposition by a country of legal measures to restrict or prohibit trade, services or other economic activity with a target country, entity or individual. For example, the Parliament of Canada has enacted legislation authorizing the imposition of Trade Sanctions through the *United Nations Act*, the *Special Economic Measures Act* and some provisions of the *Export and Import Permits Act*.

Depending upon the identity, domicile, place of incorporation or nationality of the policyholder, insured, claimant, insurer, or the parent company and ultimate controlling entity of the policyholder, insured, claimant or insurer, or the country where the claim arises, Trade Sanctions of foreign countries, including the United States of America, may be applicable. The application of sanctions could necessitate the seizure or freezing of property, including but not limited to the payment of a claim.

Existing Trade Sanctions can be amended, and new Trade Sanctions can be imposed, at any time.

#### **OBLIGATIONS PLACED ON US AS A RESULT OF TRADE SANCTIONS**

If we determine that you or any insured, additional insured, loss payee, or claimant are on a prohibited list or are connected to a sanctioned country, entity or individual, or a prohibited activity, as designated by the relevant Trade Sanction, we may be required to comply with the requirements of the applicable Trade Sanction, which by way of example, may include blocking or "freezing" property and payment of any funds and the reporting of such occurrences to the relevant authorities within the prescribed time periods, if any.

#### **POTENTIAL ACTIONS BY US**

Depending upon the requirements of the relevant Trade Sanction:

1. We may be required to immediately cancel your coverage effective on the day that we determine that we have transacted business with an individual or entity associated with your policy on a prohibited list or connected to a sanctioned country as described in the relevant Trade Sanction.
2. If we cancel your coverage, you may not receive a return premium unless permitted pursuant to the relevant Trade Sanction. All blocked or frozen funds will be placed in an interest bearing blocked account established on the books of a financial institution.
3. We may not pay a claim, accept premium or exchange monies or assets of any kind to or with individuals, entities or companies (including a bank) on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant Trade Sanction. Furthermore, we may not defend or provide any other benefits under your policy to individuals, entities or companies on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant Trade Sanction.

#### **PRIVACY PRINCIPLES**

BFLSPW0001.REV.1015.AB (Rev 17 Nov 2016)  
E.&O.E.

### AIG and Individual Privacy

We at AIG Insurance Company of Canada (referred to as "AIG", "we", "our", or "us") abide by these *Privacy Principles* and want you, our applicants, policyholders, insureds, claimants, and any other individuals who provide us with personal information (referred to as "Customers" or "you"), to be aware of how and why we handle personal information. We work hard to respect and maintain your privacy. However, the very nature of our business is such that the collection, use and disclosure of personal information are fundamental to the products and services we provide.

As a worldwide leader in the delivery of insurance products and other services, the member companies of American International Group, Inc. ("AIG Companies") offer numerous products and services to many types of consumers and clients in many different countries around the world. Therefore, differing AIG Companies may adopt differing privacy practices to fit their own jurisdiction and business requirements. The AIG Companies Privacy Policy, located at [www.aig.com](http://www.aig.com), may also be applicable to our Customers as we conduct our business.

For the purposes of these *Privacy Principles* personal information means information about an identifiable individual. For example: an individual's name, birth date, address, age, health and financial information is personal information which AIG may collect, use and in certain circumstances, where necessary, disclose, in the course of providing insurance services and carrying on business.

#### **1. Consent and Personal Information**

AIG obtains consent for the collection, use, and disclosure of personal information, except where consent is not required by law. AIG does not obtain your consent for the collection, use and disclosure of business contact information. By applying for or purchasing AIG's products and services, you are providing your consent to our collection, use, and disclosure of your personal information as set out in these *Privacy Principles*. AIG relies on the broker's advice where the insurance broker tells AIG that we have a Customer's consent to collect information.

Consent may be obtained by AIG and its affiliated companies directly or through a broker or agent, an insurance adjuster, claims administrator, investigator, or lawyer when personal information is collected for claims purposes.

An individual may decline to consent, or revoke consent, to the collection and use of personal information for insurance purposes but in that case, insurance products and related services and the assessment of applications, claims or complaints may be limited or terminated.

#### **2. Collecting Personal Information**

We may collect information directly from the individual concerned on applications for insurance and through direct interactions with us, including via AIG websites, software applications made available by us for use on or through computers and mobile devices (the "Apps"), our social media pages set forth in the links in the footer on AIG.com and other means (for example, from your application and claim forms, telephone calls, e-mails and other communications with us, as well as from claim investigators, medical professionals, witnesses or other third parties involved in our business dealings with you). We also collect information from various third party sources such as: insurance brokers, adjusters, other insurance intermediaries, third party administrators, government, industry associations, and other entities that have information about you. For instance, we may obtain your driving record, claims history and/or credit history, where permitted by law, to assist us in underwriting your application for insurance. We and our service providers may supplement the personal information we collect with information from other sources, such as publicly available information from social media services, commercially available sources and information from our affiliates or business partners. This information from third parties is subject to the

## PROPERTY

privacy policies under which the information was collected.

### 3. Using Personal Information

Personal information is typically collected and used by us for insurance purposes such as: assessing risk, processing applications for insurance coverage, establishing rates, administering insurance products, developing and improving insurance products and services and other services, including actuarial and pricing tools and risk engineering, risk management and loss prevention programs for our insurance clients, claim assessment, processing and settlement, and, where applicable, managing claim disputes. AIG also uses personal information to detect and prevent fraud, compile statistics, verify and provide information to insurance industry associations, report to regulatory or industry entities in accordance with laws and prudent insurance industry practices, and conduct market research. This may also include collecting and disclosing personal information about third parties with respect to claims made against AIG Customers.

### 4. Use of Personal information for Marketing Purposes

AIG may collect and use personal information for marketing purposes, such as identifying and communicating with individuals who are most likely to find AIG products and services of interest. AIG may also disclose personal information to our affiliates to use for marketing purposes to offer you their products and services, which may be of interest to you. You may opt not to have us, or alternatively not to have our affiliates, collect, use or disclose personal information for marketing purposes in which case we and our affiliates will not use or disclose personal information for marketing purposes. Offers of upgraded or additional coverage, special offers and promotional mailings, and offers of additional products and services from our affiliates will not be sent by us or our affiliates. As an AIG customer, if you have not opted out of receiving marketing communications, you may receive marketing emails regarding AIG products and services. Each marketing email will include an unsubscribe mechanism, available for you at any time to remove your consent.

### 5. Accuracy of Your Personal Information

AIG maintains procedures to ensure that the information we collect and use is accurate, up-to-date, and as complete as possible. However, we rely on individuals to disclose all material information to us and to inform us of any changes required. With proof of your identity, a request to access or correct your personal information in our possession may be made by contacting the Privacy Officer at the address set out below in the section called "Contacting the Privacy Officer".

### 6. Safeguarding Your Information

We apply appropriate safeguards to our computer networks and physical files and we restrict access to personal information to those AIG employees, authorized administrators, reinsurers, consultants or insurance representatives who need to know that information in order to underwrite, adjudicate or administer insurance products and services.

### 7. Disclosure of Personal Information

Personal information is sought and exchanged with both affiliated and unaffiliated insurance companies, reinsurers, insurance and reinsurance brokers and other intermediaries and agents, appointed representatives, distributors, financial institutions and insurance industry organizations at the time of assessing an application for insurance and any renewal, extension, variation or cancellation of any issued policy, as well as in the event of any claim, to the extent necessary for statistical purposes or to assess and rate a specific risk, determine the status of coverage, and investigate, administer and provide updates regarding claims. We also share information to combat fraud; where permitted or required by law; or, at the request of government institutions in accordance with applicable law.

AIG sometimes retains an affiliated company or an independent third party, reinsurer or a technology service provider ("Authorized Administrator") to perform on our behalf, certain functions in support of the

products and services we provide. Such functions could include the underwriting, offering or administering of AIG insurance products and services or any related claims. Accordingly, in certain instances these affiliates or third parties require your personal information to the extent that it is necessary in the performance of those specific reinsurance, underwriting, marketing, consulting, administrative, analytical, rehabilitative, claims, investigation, reporting or related services. AIG obligates these affiliates and third parties to use and take steps to protect personal information in accordance with the requirements of these *Privacy Principles*.

Some Authorized Administrators may be located outside of Canada, in the United States of America or another foreign jurisdiction outside of Canada. When this occurs, the collection, use and disclosure of personal information will be subject to the laws of the jurisdiction in which it is situated. By communicating personal information to us, applying for and/or acquiring the products and services of AIG, you hereby consent to the authorized administrators located outside of Canada accessing, processing or storing your personal information (as the case may be) and disclosing such personal information as required by the governing laws of that jurisdiction. If you would like to obtain more information about our use of Authorized Administrators or any other service providers located outside of Canada, please contact the Privacy Officer at the address set out below in the section called "Contacting the Privacy Officer".

AIG may transfer your personal information as an asset in connection with any contemplated or actual sale, merger or other disposal of all or part of our business or assets, or as part of a corporate reorganization or other change in corporate control, including for the purposes of determining whether to proceed with such transaction or fulfilling any records or other reporting requirements to such parties. In such circumstances, we will ensure that any transfer of personal information is subject to applicable law and reasonable data protection security, confidentiality and usage protocols and restrictions.

### 8. Retention and Access to Your Personal Information

We retain personal information for the purposes described in these *Privacy Principles* but only for so long as is necessary. Personal information is stored at one of our offices in Canada or at a location of one of our affiliates in the United States or another foreign country, as required and defined under "Disclosure of Personal Information" above. Access to your personal information is limited to our employees, agents, insurance intermediaries, Authorized Administrators and service providers who need access in order to perform their job or provide services. Given the nature of insurance and our on-going exposure to potential claims, where necessary, and when legally required, some of the information we collect for insurance purposes is kept indefinitely.

With proof of your identity, a request to access information in our possession may be made by contacting the Privacy Officer at the address set out below in the section called "Contacting the Privacy Officer". The right to access information is not absolute. Therefore AIG may decline access to information that we have under our control, subject to any legal restrictions or rights of refusal by AIG. Such instances may be as follows:

- the information is subject to solicitor/client privilege;
- the information would reveal personal information about a third party;
- the information could compromise the investigation of a claim; or
- the information is confidential commercial information.

We may charge a reasonable fee in advance for copying and sending information you have requested and to which you have a right of access.

### 9. Contacting the Privacy Officer

Request for further information, personal information access or any concerns about how we handle your information with AIG should be referred to our Privacy Officer, as follows:

## PROPERTY

Privacy Officer  
AIG Insurance Company of Canada  
120 Bremner Blvd., Suite 2200  
Toronto, ON  
Canada M5J 0A8  
Or at the following e-mail address: AIGCanadaOmbudsman@aig.com  
Or you may call us toll free: 1-800-387-4481

### 10. Internet Privacy Practices

We may collect your information through AIG websites or mobile applications. All personal information collected through our websites and mobile applications are subject to these *Privacy Principles*.

We may collect other information (“**Other Information**”) through our websites or mobile applications that does not reveal your specific identity. Other Information includes but is not limited to:

- browser information;
- information collected through cookies, pixel tags, and other technologies;
- demographic information and other similar information provided by you;
- information about your physical location; and
- aggregated information.

We and our third party service providers may collect Other Information in a variety of ways, including the following:

- **Through your internet browser:** Certain information is collected by most websites, such as your IP address (that is, your computer’s address on the internet), screen resolution, operating system type (Windows or Mac) and version, internet browser type and version, time of the visit and the page or pages visited. We use this information for purposes such as calculating our website usage levels, helping diagnose server problems, and administering our website.
- **Using cookies:** Cookies are pieces of information stored directly on the computer you are using. Cookies allow us to recognize your computer and to collect information such as internet browser type, time spent on our website, pages visited, and language preferences. We may use the information for security purposes, to facilitate navigation, to display information more effectively, to personalize your experience while visiting our website, or to gather statistical information about the usage of our website. Cookies further allow us to present to you the advertisements or offers that are most likely to appeal to you. We may also use cookies to track your responses to our advertisements and we may use cookies or other files to track your use of other websites.

One of the advertisement companies that we use is Google, Inc., trading as DoubleClick. To opt out of the DoubleClick advertisement cookie please visit: <http://www.google.com/intl/en/policies/privacy/#infochoices>.

You can refuse to accept other cookies we use by adjusting your browser settings. However, if you do not accept these cookies, you may experience some inconvenience in your use of our website and some online products.

- **Using pixel tags, web beacons, clear GIFs or other similar technologies:** These may be used in connection with some of our website pages and HTML-formatted e-mail messages to, among other things, track the actions of our website users and e-mail recipients, measure the success of our marketing campaigns, and compile statistics about our website usage and response rates.
- We use Adobe’s Omniture analytics service, which uses cookies and web beacons, to help us understand more about how our website is used by consumers so we can continue to

improve it. Adobe does not have the right to use the information we provide to it beyond what is necessary to assist us. For more information on Adobe’s Omniture service, including how to opt-out of it, please visit: <http://www.adobe.com/privacy/policy.html#info-manage>.

- **From you:** Some information (for example, your location or preferred means of communication) is collected when you voluntarily provide it. Unless combined with personal information, this information does not identify you personally.
- **Using your physical location:** We may collect the physical location of your device by, for example, using satellite, cell phone tower or WiFi signals. We may use your device’s physical location to provide you with personalized location-based services and content, for example, to provide location based reminders or offers when using Apps. We may also share your device’s physical location, combined with information about what advertisements you viewed and other information we collect, with our marketing partners to enable them to provide you with more personalized content and to study the effectiveness of advertising campaigns. In some instances, you may be permitted to allow or deny such uses and/or sharing of your device’s location, but if you choose to deny such uses and/or sharing, we and/or our marketing partners may not be able to provide you with the applicable personalized services and content. In addition, we may obtain the precise geolocation of your device when you use our mobile applications for purposes of providing travel or other assistance services to our clients who are enrolled in such services. In connection with providing travel or other assistance services, we may share your device’s precise geolocation information with our clients and other entities with whom we work. You may opt-out of our collection and sharing of precise geolocation information by deleting the mobile application from your device, by disallowing the mobile application to access location services through the permission system used by your device’s operating system, or by following any additional opt-out instructions provided in the privacy notice available within the mobile application.
- **By aggregating information:** We may share non-personally identifiable information collected from you and from through the use of our Apps with our third party service providers in an anonymous and aggregate form for data analytics use and to ensure you receive a better consumer experience, in order to improve and modify our products and services.

Please note that we may use and disclose Other Information for any purpose, except where we are required to do otherwise under applicable law. If we are required to treat Other Information as personal information under applicable law, then, in addition to the uses listed in this “*Website Privacy Practices*” section, we may use and disclose Other Information for all the purposes for which we use and disclose personal information.

### 11. Third Party Websites

These *Privacy Principles* do not address, and we are not responsible for, the privacy, information or other practices of any third parties, including any third party operating any website to which our website contains a link. The inclusion of a link on our website does not imply endorsement of the linked site by us or by our group companies.

### 12. Use of Site by Minors

Our website is not directed to individuals under the age of 18, and we request that these individuals do not provide Personal Information through our website.

## PROPERTY

### 13. Changes to these Privacy Principles

AIG Canada reserves the right to modify these *Privacy Principles* from time to time. If these *Privacy Principles* change materially, we will take reasonable measures to notify you, including posting a copy of the revised *Privacy Principles* to our website. Accordingly, we recommend that you review our current *Privacy Principles* from time to time at Aig.ca.

### ELECTRONIC DATA ENDORSEMENT A

#### 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 unauthorized 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 to repair, replace or restore such media to the condition that existed immediately prior to such loss or damage, including the cost of reproducing any ELECTRONIC DATA contained thereon, providing such media is repaired, replaced or restored. Such cost of reproduction shall include all reasonable and necessary amounts, not to exceed \$25,000 any one loss, incurred by the Assured in recreating, gathering and 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 2914 - (25.1.01)

Form approved by Lloyd's Underwriters' Non-Marine Association Limited

### COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided by this Policy:

Notwithstanding any other provision of this Policy to the contrary, the Company does not insure any loss, cost, damage or expense, arising out of, attributable to, or occurring concurrently or in any sequence with a **communicable disease**.

As used herein, **communicable disease** means any infectious or contagious substance:

1. Including, not limited to, a virus, bacterium, parasite or other organism or any mutation thereof, whether deemed living or not, and
2. Regardless of the method of transmission, whether direct or indirect, including, but not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between humans, animals, or from any animal to any human or from any human to any animal,

that can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to tangible or intangible property insured hereunder.

For avoidance of doubt, no coverage extension, additional coverage, global extension, exception to any exclusion or other coverage grant shall afford any coverage that would otherwise be excluded through this exclusion. For further avoidance of doubt, loss, cost, damage or expense, includes any cost to clean-up, detoxify, remove, monitor or test: (1) for a **communicable disease** or (2) any tangible or intangible property insured hereunder that is affected by such **communicable disease**.

All other terms and conditions of the Policy remain the same.

LMA138003 (03/20)

### CHUBB INSURANCE COMPANY OF CANADA TRADE OR ECONOMIC SANCTIONS

**This Endorsement modifies the coverage provided under the Property form attached to this policy.**

It is hereby agreed and declared that solely with respect to CHUBB's participation as a subscribing property insurer; the following provision is added:

*This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of policy remain unchanged.*

*Except as otherwise provided in this endorsement, all terms, provisions and conditions of the policy shall have full force and effect. All terms not otherwise defined in this endorsement will have the same meaning as in the form to which this endorsement is attached.*

## PROPERTY

### **EXCLUSION OF LOSS DUE TO VIRUS, BACTERIA OR MICROORGANISM THAT INDUCE PHYSICAL DISTRESS, ILLNESS OR DISEASE**

#### **This Endorsement changes the policy. Please read it carefully.**

The following exclusion is added to this policy; supersedes any term, provision or endorsement to the contrary in this policy; and applies notwithstanding such term, provision or endorsement:

This Policy excludes any and all loss, damage, cost, or expense of any nature whatsoever directly or indirectly caused by or resulting from the following, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence thereto:

Any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease, or the fear or threat (whether actual or perceived) of any such virus, bacteria or microorganism, including any and all loss directly or indirectly caused by any action or inaction of the insured or any action or order of a government undertaken in response to, or intended to detect, control, prevent, suppress, mitigate or remediate, the actual, suspected, or anticipated presence of any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease.

This exclusion does not apply to loss or damage caused by or resulting from moss or fungus (including mold and mildew), or any mycotoxins, spores, scents, or other by-products of fungi, if such loss or damage, including any exclusion thereof, is addressed in a separate provision elsewhere in this Policy.

This exclusion supersedes any exclusion relating to pollutants or contaminants.

Other policy provisions excluding coverage of loss due to virus, bacteria, or microorganism of a type other than that which induce or are capable of inducing physical distress, illness or disease remain in full force and effect.

#### **All other terms and conditions remain unchanged.**

AGP-53329a (04/20)

### **LLOYDS OF LONDON**

It is hereby agreed and declared that solely with respect to Lloyd's participation as a subscribing property insurer, the following provisions are added:

#### **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

BFLSPW0001.REV.1015.AB (Rev 17 Nov 2016)  
E.&O.E.

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](mailto: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](http://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](http://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](http://www.fcac-acfc.gc.ca)

LSW1542F 09/14

### **NOTICE CONCERNING PERSONAL INFORMATION**

#### **How we use your information**

By purchasing insurance from certain Underwriters at Lloyd's, London ("Lloyd's"), a customer provides Lloyd's with his or her 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.

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

#### **What personal information we collect about you**

We collect, process and store the following personal information about you:





## PROPERTY

- Name
- Address including postal code and country
- Policy number
- Claim number
- Credit card details
- Bank account details

We also collect information about you when you visit [www.lloyds.com](http://www.lloyds.com). Further details can be found on our online Privacy & Cookies policy at <http://www.lloyds.com/common/privacy-and-cookies-statement>.

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 the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataires, and to certain non-related or unaffiliated organisations or companies, including service providers. These entities may be located outside Canada therefore a customer's information may be processed in a foreign jurisdiction (the United Kingdom and the European Union) and their information may be accessible to law enforcement and national security authorities of that jurisdiction.

### Disclosure without consent

The following are reasonable grounds to permit the disclosure of personal information without the knowledge or consent of a customer:

- Detecting or suppressing fraud
- Investigating or preventing financial abuse
- For communication with the next to kin or authorized representative of an injured, ill or deceased individual
- Investigating a breach of an agreement or a contravention of the laws of Canada or a foreign jurisdiction
- Witness statement necessary to assess, process or settle insurance claims
- Information produced in the course of employment and the disclosure is consistent with the purpose it was produced for

### How to access your information and/or contact us

To access and request correction or deletion of your information, or to obtain written information about Lloyd's policies and practices in respect of service providers located outside Canada, please contact the Ombudsman at [info@lloyds.ca](mailto:info@lloyds.ca). The Ombudsman will also answer customer's questions about the collection, use, disclosure or storage of their personal information by such Lloyd's service providers.

Further information about Lloyd's personal information protection policy may be obtained from the customer's broker or by contacting Lloyd's on: 514 861 8361, 1 877 455 6937, or through [info@lloyds.ca](mailto:info@lloyds.ca).

LSW1543C 10/15

## 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.

LSW1565C 10/12

## 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  
06/02/03

## PROPERTY

### MADE IN CANADA CLAUSE

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

The business insured/reinsured herein meets the necessary conditions to qualify as, and is being transacted as, "insuring in Canada a risk" in accordance with Part XIII of the Insurance Companies Act (Canada).

LMA5185  
01/11/11

### 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 1155, rue Metcalfe, Suite 2220, Montreal, Quebec, H3B 2V6.

LMA5028  
10/08/06

### SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolution or the trade or economic sanctions, laws or regulation of the European Union, United Kingdom or United States of America.

LMA3100  
15 September 2010  
Form approved by Lloyd's Market Association

### 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

LSW1554  
07/05

### 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**

## PROPERTY

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 1155, rue Metcalfe, Suite 2220, Montreal, Quebec, H3B 2V6

### 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.

LMA5190

5 July 2012

### ELECTRONIC DATE RECOGNITION EXCLUSION

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 any 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.

NMA 2802 (17/12/1997)

### 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)

### INSURE IN CANADA A RISK

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

01/10 LSW 1669

### PROPERTY CYBER AND DATA EXCLUSION

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
  - a) Cyber Loss;
  - b) 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.

## PROPERTY

- In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- 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

- 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.
- 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:
  - 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
  - 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.
- 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.
- 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

It is hereby agreed and declared that solely with respect to **Westport Insurance Corporation's** participation as a subscribing property insurer; the policy wording is amended as follows:

**Property Insurance, Section 9 Perils Excluded** is amended to include the following subsection:

u. loss damage, cost or expense caused by or resulting from any of the following, regardless of any other cause or event contributing concurrently or in any other sequence thereto:

- The unlawful possession, use, release, discharge, dispersal or disposal of any chemical, bacteriological, viral, radioactive or similar agents or matter regardless of who is responsible for the act and whether war has been declared or not, and regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- The unlawful possession, use, release, discharge, detonation, dispersal or disposal of any device or material capable of producing a nuclear reaction or spread of radioactivity, regardless of who is responsible for the act and whether war has been declared or not, and regardless of any other cause or event contributing concurrently or in any other sequence thereto.

**General Conditions and Limitations, Section 34 International Trade**

**Controls and Economic Sanctions** is added as follows:

### **34. International Trade Controls and Economic Sanctions**

The Company will not be deemed to have provided coverage and will not be liable to pay any claim or provide any benefit to the extent that payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any jurisdiction applicable to the Company.

All other terms and conditions remain unchanged.

---

It is hereby agreed and declared that solely with respect to Starr Insurance & Reinsurance Limited's participation as a subscribing property insurer; the following provisions are added:

### **ASBESTOS EXCLUSION ENDORSEMENT**

This policy does not insure loss or damage caused directly or indirectly by:

- Asbestos material removal unless the asbestos itself is damaged by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, leakage or accidental discharge from automatic fire protective systems.
- Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material.
- Any governmental direction or request declaring that asbestos material present in or part of or utilized on any undamaged portion of the Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

### **MICRO ORGANISM EXCLUSION (MAP) (ABSOLUTE)**

This policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

mould, mildew, fungus, spores, or other micro organism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This exclusion replaces and supercedes any provision in the policy that provides insurance, in whole or in part, for these matters.

### **ELECTRONIC DATA ENDORSEMENT B**

- Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

- This policy does not insure, loss, damage, destruction, distortion, reinsurance, 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

## PROPERTY

nature resulting therefrom, regardless of any other cause or even 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 unauthorized instructions or code including a set of maliciously introduced unauthorized 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

### TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto 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 any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense 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 any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

NMA2920

### 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

06/02/03

Form approved by Lloyd's Market Association (Non-Marine)

### COMMUNICABLE DISEASE EXCLUSION

The exclusion set forth below applies to all coverages, coverage extensions, supplemental coverages, optional coverages, and endorsements that are provided by the policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property or time element losses (including, but not limited to, gross earnings, gross profits, business interruption, extra expense, rental value, contingent business interruption, contingent time element, leader or attraction property, and interruption by civil or military authority).

The Company does not insure any loss, cost, damage or expense, directly or indirectly caused by, resulting from, arising out of, attributable to, contributed to, or occurring concurrently or in any sequence with a **communicable disease** or **communicable disease agent**.

This exclusion applies to, but is not limited to, any loss, cost, damage, or expense as a result of:

- a. any contamination by any **communicable disease** or **communicable disease agent**;
- b. any denial, restriction, or impairment of access to property because of the existence, threat, or suspected presence of any **communicable disease** or **communicable disease agent**; or
- c. any deterioration, loss of value, loss of marketability, or loss of use to tangible or intangible property insured hereunder directly or indirectly caused by or arising out of any **communicable disease** or **communicable disease agent**.

No coverage extension, additional coverage, exception to any exclusion, endorsement, or any other coverage grant shall afford coverage that would otherwise be excluded through this exclusion. Additionally, the phrase "loss, cost, damage or expense," as used herein includes, but is not limited to: (a) any cost to clean-up, detoxify, remove, monitor or test: (1) for a **communicable disease** or **communicable disease agent**; or (2) any tangible or intangible property insured hereunder that is affected or suspected to be affected by such **communicable disease** or **communicable disease agent**; and (b) any time element losses, including any time element coverage extensions, directly or indirectly caused by, resulting from, arising out of, attributable to, or contributed to by such **communicable disease** or **communicable disease agent**.

## PROPERTY

As used herein, words in **bold** have the following meanings:

**“Communicable disease”** means any infectious or contagious disease:

1. Caused by any **communicable disease agent**; and
2. Regardless of the method of transmission, whether direct or indirect, including, but not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between humans, animals, or from any animal to any human or from any human to any animal.

**“Communicable disease agent”** means any infectious or contagious agent, including, but not limited to: a virus, bacterium, parasite, or other organism, or any mutation thereof, whether deemed living or not, that causes or could cause disease, illness, or physical distress to human health.

All other terms and conditions of the policy remain the same.

### TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of this Policy remain unchanged.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the policy, except as herein above set forth.

### EMERGENCY EXTENSION PROVISION

It is hereby agreed and declared that solely with respect to Starr Insurance & Reinsurance Limited's participation as a subscribing property insurer; the policy wording is amended as follows:

**Property Insurance. Section 4 Extensions of Coverage, g. Declaration of Emergency** is amended to the following subsection:

**g. Declaration of Emergency  
Emergency Extension Provision**

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.

1. The 'emergency' must have resulted from an insured peril, and with resultant direct physical damage, and have a direct effect or impact on the 'Insured', the insured site, or insured property located in the declared emergency area; or
2. a) 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, but not for more than a maximum of 60 days  
b) If this policy is due to expire during an 'emergency', it will continue in force until the 'emergency' is terminated, however for no more than a maximum of 60 days past the original expiry date in the policy.
3. In no event shall the total term of this extension exceed 60 consecutive days. The 'Insured' agrees to pay the pro rata premium earned for the additional time the Insurer remains on risk as a result of the above.

**'Emergency'** means the first statutory declaration of an emergency; as provided for by the relevant governing Legislation if different from but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

It is hereby agreed and declared that solely with respect to Continental Casualty Company (CNA Canada)'s participation as a subscribing property insurer; the

following provisions are added:

### COMMUNICABLE DISEASE ENDORSEMENT

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:
  - a. for a Communicable Disease, or
  - b. 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:
  - a. 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
  - 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, 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

It is hereby agreed and declared that solely with respect to any participation as a subscribing property insurer as arranged by Lions Gate Underwriting Agency; the following provisions are added:

### COMMUNICABLE DISEASE ENDORSEMENT

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:
  - a. for a Communicable Disease, or
  - b. 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:

## PROPERTY

- a. 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
  - 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, 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

---

It is hereby agreed and declared that solely with respect to Chubb Underwriting Agencies Ltd.'s (Syndicate 2488) participation as a subscribing property insurer; the following provisions are added:

### COMMUNICABLE DISEASE ENDORSEMENT

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:
  - a. for a Communicable Disease, or
  - b. 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:
  - a. 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
  - 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, 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

---

It is hereby agreed and declared that solely with respect to Faraday Underwriting Ltd.'s (Syndicate 435) participation as a subscribing property insurer; the

BFLSPW0001.REV.1015.AB (Rev 17 Nov 2016)  
E.&O.E.

following provisions are added:

### COMMUNICABLE DISEASE EXCLUSION CLAUSE

Notwithstanding anything contained herein to the contrary, this contract excludes any loss, damage, liability, expense, fines or penalties or any other amount directly or indirectly caused by or arising from infectious disease or human contagious disease.

This exclusion in no way modifies or limits any of the other exclusions in this form.

All other terms and conditions remain unchanged

---

It is hereby agreed and declared that solely with respect to Arch Underwriting at Lloyd's Ltd. (Syndicate 2012) participation as a subscribing property insurer; the following provisions are added:

### COMMUNICABLE DISEASE EXCLUSION

This (re)insurance does not cover any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, arising out of, contributed to by, or resulting from any Communicable Disease and/or threat (whether actual or perceived) or fear thereof.

This endorsement also excludes loss, damage, cost or expense 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.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this (re)insurance the burden of proving the contrary shall be upon the (re)insured.

Communicable Disease means any disease capable of being transmitted from an infected person or species to a susceptible host, either directly or indirectly.

This exclusion in no way modifies or limits any of the other exclusions in this form.

All other terms and conditions remain unchanged

---

It is hereby agreed and declared that solely with respect to any participation as a subscribing property insurer as arranged by Ambris LLP; the following provisions are added:

### COMMUNICABLE DISEASE ENDORSEMENT

Notwithstanding any other provision of this Policy to the contrary, the Company does not insure any loss, cost, damage or expense, arising out of, attributable to, or occurring concurrently or in any sequence with a **communicable disease**.

As used herein, **communicable disease** means any infectious or contagious substance:

1. Including, not limited to, a virus, bacterium, parasite or other organism or any mutation thereof, whether deemed living or not, and
2. Regardless of the method of transmission, whether direct or indirect, including, but not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid,

## PROPERTY

liquid or gas or between humans, animals, or from any animal to any human or from any human to any animal,

that can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to tangible or intangible property insured hereunder.

For avoidance of doubt, no coverage extension, additional coverage, global extension, exception to any exclusion or other coverage grant shall afford any coverage that would otherwise be excluded through this exclusion. For further avoidance of doubt, loss, cost, damage or expense, includes any cost to clean-up, detoxify, remove, monitor or test: (1) for a **communicable disease** or (2) any tangible or intangible property insured hereunder that is affected by such **communicable disease**.

This exclusion in no way modifies or limits any of the other exclusions in this form.

All other terms and conditions remain unchanged

---

It is hereby agreed and declared that solely with respect to any participation as a subscribing property insurer as arranged by Cansure; the following provisions are added:

### COMMUNICABLE DISEASE ENDORSEMENT

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:
  - a. for a Communicable Disease, or
  - b. 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:
  - a. 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
  - 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, 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

---

It is hereby agreed and declared that solely with respect to any participation as a subscribing property insurer as arranged by Milnco Insurance Inc.; the following provisions are added:

BFLSPW0001.REV.1015.AB (Rev 17 Nov 2016)  
E.&O.E.



### COMMUNICABLE DISEASE EXCLUSION

We will not pay for any:

- a. loss or claim;
  - b. additional or increased costs;
  - c. emergency evacuation costs, or restricted access costs;
  - d. costs to clean-up, detoxify, remove, monitor, test, prevent, or implement;
  - e. economic loss;
  - f. loss of market, loss of use, or loss of occupancy;
  - g. physical loss or damage to insured property;
  - h. *compensatory damages*; nor for
  - i. bodily injury;
- caused or resulting from, directly or indirectly, in any way by:
- i. an endemic, epidemic, pandemic, or outbreak of a communicable disease;
  - ii. any contamination of or exposure to any infectious agent, disease, virus, pathogen, or other microorganism which includes or is capable of inducing distress, illness, disease, death, or property damage;
- nor by
- iii. any activity, order, or decision made by a Canadian *civil authority*, or other government entity to prevent, respond, respond to, reduce, or control any item or event listed in (i) and (ii) above;
- and this exclusion applies to and modifies any coverage otherwise provided by this policy.

Except where modified by this form, all other terms of *your policy* apply and are incorporated by reference.

MFIG.1020.09.15.2020

---

It is hereby agreed and declared that solely with respect to Canopius Managing Agents Limited (Syndicates 4444 & 1861) participation as a subscribing property insurer; the following provisions are added:

### COMMUNICABLE DISEASE ENDORSEMENT

5. 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.
6. 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:
  - a. for a Communicable Disease, or
  - b. any property insured hereunder that is affected by such Communicable Disease.
7. 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:
  - a. 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
  - 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



## PROPERTY

- c. 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.
8. 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

---

**PROPERTY**

**SHORT RATE CANCELLATION TABLE**

Attached to and forming part of this policy. The following Table applies when termination of the policy is requested by the Insured.

<b>Days to Expiry</b>	<b>% of Premium Returned</b>	<b>Days to Expiry</b>	<b>% of Premium Returned</b>	<b>Days to Expiry</b>	<b>% of Premium Returned</b>
365-362	92	245-243	61	126-123	30
361-358	91	242-239	60	122-120	29
357-354	90	238-235	59	119-116	28
353-350	89	234-231	58	115-112	27
349-346	88	230-227	57	111-108	26
345-342	87	226-223	56	107-104	25
341-339	86	222-219	55	103-100	24
338-335	85	218-216	54	99-97	23
334-331	84	215-212	53	96-93	22
330-327	83	211-208	52	92-89	21
326-323	82	207-204	51	88-85	20
322-319	81	203-200	50	84-81	19
318-316	80	199-196	49	80-77	18
315-312	79	195-193	48	76-73	17
311-308	78	192-189	47	72-69	16
307-304	77	188-185	46	68-66	15
303-300	76	184-181	45	65-62	14
299-296	75	180-177	44	61-58	13
295-292	74	176-173	43	57-54	12
291-289	73	172-170	42	53-50	11
288-285	72	169-166	41	49-47	10
284-281	71	165-162	40	46-43	9
280-277	70	161-158	39	42-39	8
276-273	69	157-154	38	38-35	7
272-269	68	153-150	37	34-31	6
268-266	67	149-146	36	30-27	5
265-262	66	145-143	35	26-24	4
261-258	65	142-139	34	23-20	3
257-254	64	138-135	33	19-16	2
253-250	63	134-131	32	15-12	1
249-246	62	130-127	31	11-0	0

## EXCESS PROPERTY

### SECTION 1.1

#### EXCESS PROPERTY

This Excess Property Insurance is subject, to the same conditions, limitations and exclusions as the underlying policy(ies) as described and hereinafter referred to as the "Underlying Insurance", except as provided herein.

It is expressly agreed that liability under this Excess Property Insurance shall not attach to Liberty Mutual Insurance Company ("Insurer") unless and until the "Underlying Insurer(s)" shall have admitted liability for the underlying limit or limits.

It is also expressly agreed that liability under this Excess Property Insurance shall attach to the "Insurer" only if:

- i. **EXCESS PROPERTY EXTENSIONS:** The limits of the Underlying Policy Extensions of Coverage described in Section I Property- Item 4 of the "Underlying Insurance" ("Extensions of Coverage") are insufficient to fully indemnify the "Insured" following loss or damage insured against, and/or
- ii. **EXCESS EXTENDED REPLACEMENT COST:** The maximum policy limit for the Underlying Insurance as noted in Section I Property on the Declaration Page ("Underlying Policy Limit") and the maximum policy Excess Property Limit(s) of Loss as noted in Section I.1 Excess Property on the Declaration Page ("Excess Property Limit(s)") are insufficient to fully indemnify the "Insured" following loss or damage insured against, or
- iii. **EXCESS PROPERTY LIMIT OF LOSS:** The "Underlying Policy Limit" is insufficient to fully indemnify the "Insured" following loss or damage insured against. Reduction or exhaustion of the limits of the "Extensions of Coverage" does not reduce the "Underlying Policy Limit".

The insufficiency of the "Underlying Insurance" must be determined only after each of the "Underlying Insurer(s)" have paid or have been held liable to pay the full amount of their loss and all "Underlying Insurance" policy definitions, conditions, extensions and limitations have been taken into account in the adjustment of the claim for such loss or damage.

In that event, the "Insurer" hereunder will pay to the "Insured" as follows:

#### EXCESS PROPERTY EXTENSIONS

The lesser of:

- i. The difference between the amount payable under the "Extensions of Coverage" and the amount required to fully indemnify the "Insured".
- ii. The maximum policy limit for the Excess Property Extensions as noted in Section I.1 Excess Property on the Declaration Page, annually aggregated.

#### EXCESS EXTENDED REPLACEMENT COST:

The excess over and above the "Underlying Policy Limit", annually aggregated, each as respects the perils of earthquake and flood, and any "Excess Property Limit(s)", annually aggregated.

Such additional amounts shall not exceed the maximum policy limit for the Excess Extended Replacement Cost as noted in Section I.1 Excess Property on the Declarations Page.

Combined Annual Aggregate Limit of Liability of Excess Extended Replacement Cost and Excess Property Extensions is \$5,000,000 or the maximum payable under the Excess Extended Replacement Cost, as noted in Section 1.1 Excess Property on the Declaration Page, whichever is greater.

#### EXCESS PROPERTY LIMIT OF LOSS

An amount not exceeding the "Insurer's" percentage of participation in the "Excess Property Limit(s)" per occurrence and in the annual aggregate, each for the perils of earthquake and flood.

The "Insurer" shall be liable in respect of each and every "Loss Occurrence", in an amount not exceeding the "Insurer's" percentage of participation in the "Excess Property Limit(s)" but over and above the corresponding Underlying Policy Limit(s) as noted in Section I.1 Excess Property on the Declaration Page, which in turn is subject to the underlying deductibles. These Underlying Policy Limit(s) shall only be reduced or exhausted by the "Net Loss" per occurrence.

For the purposes of this insurance, certain of the terms are defined and limited as follows:

"Net Loss" means the ultimate net loss by any peril or combination of perils insured against after deducting any salvage or recoveries from any source other than this insurance.

"Loss Occurrence" means the total loss by any peril or combination of perils insured against arising out of a single event.

#### EXCESS PROPERTY LIMIT OF LOSS DROP DOWN CLAUSE

It is understood and agreed that in the event of reduction or exhaustion of the underlying aggregate earthquake or flood limits, this insurance shall apply in excess of the reduced underlying limit, or if such limit is exhausted, shall apply as underlying insurance, notwithstanding anything to the contrary in the terms and conditions of this policy.

In no event, however, shall the "Insurer" be liable for more than the "Insurer's" percentage of participation in the "Excess Property Limit(s)".

It is a condition of this insurance that the "Underlying Insurance" shall be maintained in full effect during the currency of this insurance except for any reduction or exhaustion of the aggregate earthquake or flood limits contained in the "Underlying Insurance" solely by payment of losses during the policy year.

#### EXCLUSIONS

The following exclusions apply to this Excess Property Insurance. In the event that any portion of any of the following exclusions is found to be invalid, unenforceable or contrary to statute, the remainder of any such exclusion(s) shall remain in full force and effect.

#### COMMUNICABLE DISEASE EXCLUSION

1. This Excess Property Insurance 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 exclusion, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
  - a. for a "Communicable Disease", or
  - b. any property insured hereunder that is affected by such "Communicable Disease".
3. For the purpose of this exclusion, the following term is defined as follows:

"Communicable Disease" means any disease 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, a virus, bacterium, parasite or other organism or any

## EXCESS PROPERTY

- b. variation thereof, whether deemed living or not, and 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, 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.

### MICRO ORGANISM EXCLUSION

This Excess Property Insurance does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores or other micro organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

### POLLUTION EXCLUSION

This Excess Property Insurance does not insure:

- (a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, dispersal, emission, seepage, leakage, migration, release or escape of "Pollutants" into or upon land, the atmosphere or any water course or body of water, nor the cost or expense of any resulting "Clean up".
- (b) 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".

For the purpose of this exclusion, the following terms are defined as follows:

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

**"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

### TERRORISM, WAR, NUCLEAR, BIOLOGICAL AND CHEMICAL EXCLUSION

This Excess Property Insurance does not insure physical loss or damage directly or indirectly caused by or resulting from any of the following regardless of any other cause or event, whether or not insured under this insurance, contributing to the loss concurrently or in any other sequence:

- a. "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism". This exclusion also applies to loss, damage, cost or expense 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 any act of "Terrorism".

- b. Nuclear reaction or nuclear radiation or radioactive contamination.

However, this exclusion does not apply if fire directly results from the nuclear reaction, nuclear radiation, or radioactive contamination, in which case the physical loss or damage caused by the fire will be covered but only if there is a statute in effect in the jurisdiction where the loss or damage happens that expressly prohibits the exclusion of fire losses resulting from nuclear reaction, radiation or contamination.

- c. Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack by any:
  - (1) Government or sovereign power (de jure or de facto);
  - (2) Military, naval or air force; or
  - (3) Agent or authority of any party specified in (1) or (2) above.
- d. Discharge, explosion or use of any nuclear device, weapon or material employing or involving nuclear fission, fusion or radioactive force, whether in time of peace or war and regardless of who commits the act.
- e. The unlawful possession, use, release, discharge, dispersal or disposal of any chemical, biological, viral, radioactive or similar agents or matter, whether in time of peace or war and regardless of who commits the act.

For the purpose of this exclusion, the following term is defined as follows:

**"Terrorism"** means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public in fear.

### TRADE OR ECONOMIC SANCTIONS

This Excess Property Insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit the "Insurer" from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of this insurance remain unchanged.

Except as otherwise provided in this insurance, all terms, provisions and conditions of this insurance shall have full force and effect. All terms not otherwise defined in this insurance will have the same meaning as in the "Underlying Insurance".

### CONDITIONS

#### SERVICE OF SUIT

It is agreed that in the event of the failure of the "Insurer" to pay any amount claimed to be due hereunder, the "Insurer", at the request of the "Insured", will submit to the jurisdiction of any Court of competent jurisdiction within the Canada and will comply with all requirements necessary to give such Court jurisdiction and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.

It is further agreed that service of process in such suit may be made upon the Service of Suit nominees; Liberty Mutual Insurance Company, 181 Bay Street, Suite 1000, Toronto, Ontario M5J 2T3 Canada.

The Service of Suit nominees stated above are authorized and directed to accept service of process on behalf of the "Insurer" in any such suit

## EXCESS PROPERTY

and/or upon the "Insurer's" request to give a written undertaking to the "Insured" that they will enter a general appearance upon the "Insurer's" behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any province, territory or district of the Canada which makes provision therefore, the "Insurer" hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the "Insured" or any beneficiary hereunder arising out of this Excess Property Insurance and hereby designate the above named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

### NOTICE OF MEMBERSHIP IN LIBERTY MUTUAL HOLDING COMPANY INC.

While this policy is in effect, the Named Insured first named in the Declarations is a member of Liberty Mutual Holding Company Inc. and is entitled to vote either in person or by proxy at any and all meetings of the members of said company. The Annual Meeting of Liberty Mutual Holding Company Inc. is in Boston, Massachusetts, on the second Wednesday in April each year at ten o'clock in the morning.

The Named Insured first named in the Declarations shall participate in the distribution of any dividends declared by us for this Policy. The amount of such Named Insured's participation is determined by the decision of Liberty Mutual Holding Company Board of Directors in compliance with any laws that apply.

**For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Liberty Mutual Insurance Company's insurance business in Canada.**

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".

---

With respect to Section iii. **EXCESS PROPERTY LIMIT OF LOSS**

### CYBER AND DATA EXCLUSION

#### 1. This Excess Property Insurance does not insure 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. This exclusion supersedes and replaces any other wording in the Policy, or any endorsement thereto, which has a bearing on "Cyber Loss" or "Data" and is in conflict with this exclusion.

For the purpose of this exclusion, the following terms are defined as follows:

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 unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and

## CRIME

### General Policy Terms, Conditions, Exclusions and Definitions

All Coverage Sections included in this Policy are subject to the following General Policy terms, conditions, exclusions and Definitions unless these conditions are either modified or supplemented in the specific Coverage Sections or endorsement(s) attached and forming part of this Policy.

### General Terms and Conditions

#### 1. Period of Insurance or Policy Period

The insurance coverage afforded under this Policy will be effective after the commencement date shown in the "Policy Declarations" and will terminate after the expiry date shown in the "Policy Declarations".

#### 2. Policy Jurisdiction

This policy shall be deemed to have been made under and shall be governed by the laws and decisions of the province or territory shown in the mailing address of the Named Insured, as it is shown in the "Policy Declarations". The Courts in the Court District in which the Named Insured is located shall have exclusive jurisdiction in case of a coverage dispute.

#### 3. Provincial General and Statutory Conditions

This policy shall be governed by the Provincial General and Statutory Conditions contained in this section GENERAL POLICY TERMS, CONDITIONS, EXCLUSIONS AND DEFINITIONS as they may apply.

#### 4. Representations

By accepting this Policy, you agree that:

- a. The statements in the "Policy Declarations" are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Policy in reliance upon those representations, written or otherwise made by you or on your behalf.

#### 5. Prevention of Loss

You, your employees, partners, directors and officers will employ their best efforts to take all reasonable precautions to prevent accidents or losses and prevent or cease any activity which may give rise to a liability or to any bodily injury, personal injury or "property damage" and shall take all reasonable steps to observe and comply with all statutory or local authority laws obligations and requirements.

#### 6. Notice to Authorities

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

#### 7. Other Insurance

We will not indemnify you in respect of any liability which is insured by or would but for the existence of this Policy be insured by any other Policy except in respect of any excess beyond the amount payable under such other Policy or which would have been payable under such Policy had this Policy not been effected.

#### 8. Currency

All limits of insurance, premiums and other amounts as expressed in this policy or shown on the "Policy Declarations" are in Canadian Dollars.

#### 9. Headings and Titles of Paragraphs

The headings and titles of paragraphs in this Policy are included for descriptive purposes only and do not form part of this Policy for the purpose of its construction or interpretation.

#### 10. Premium Payment

The premium is due in advance and, if it is not received by us by due

date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding Period of Insurance unless you can show that failure to make payment was an error on the part of your bank or other paying agent

- a. Where premium is payable monthly, the due date will be the first day of every calendar month;
- b. Where premium is payable quarterly, half yearly or annually, the due date will be the first day of each third, sixth or twelfth calendar month.

#### 11. Premium Adjustment

If any part of the premium of this Policy is based on estimates furnished by you, you shall keep an accurate record containing all relative particulars and shall allow us to inspect such record. You shall supply such particulars as we may require within one month from the expiry of each Period of Insurance and the premium shall thereupon be adjusted by us, subject to any minimum premium that may apply. At our request you shall supply an auditor's certificate in support of such particulars

#### 12. Limits of Insurance

Liability for any amount payable under this Policy for each and every loss or liability shall not exceed the Limits of Indemnity as shown in the "Policy Declarations" applicable to each section. Except where provided for specifically in any section, the Limits of Indemnity shall be inclusive of the deductible as shown in the "Policy Declarations" for the applicable Period of Insurance, and is also, where applicable, inclusive of all costs and expenses; including all costs and expenses we incur or which we incur on your behalf in defending any claim.

An aggregate limit, when applicable, is the most we will pay during the Policy period for the corresponding coverage.

#### 13. Blank Insured Amounts

If in the "Policy Declarations" the sum insured, limit of indemnity or the compensation amounts are:

- a. Left blank or have no monetary amount stipulated against it, or
- b. Are reflected as [Nil] or [Not applicable] or [Not covered] or [No Indemnity extended];

this shall mean that the defined events or circumstances shown in the "Policy Declarations" are not insured by this Policy.

#### 14. Deductible

Where a deductible is shown in the "Policy Declarations" for the applicable Peril Insured, the deductible is the first part of all compensation and costs and expenses to be paid by you before we shall be liable to make any payment in terms of this Policy.

#### 15. Our Rights After a Covered Event

- a. On the happening of any event in respect of which a claim is or may be made under this Policy, we and every person authorised by us may, without being obliged to, and without thereby incurring any liability and without diminishing our right to rely upon any terms, conditions and exclusions of this Policy;
  - i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of your leave and license to us to do so. You shall not be entitled to abandon any property to us whether taken possession of by us or not
  - ii. take over and conduct in your name the defence or settlement of any claim and prosecute in your name for your own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by you without our written consent
- b. You shall, at our expense, do and permit to be done all such things as may be necessary or reasonably required by us for the purpose

## CRIME

of defending any claim, or enforcing any rights to which we shall be, or would become, subrogated upon indemnification of you whether such things shall be required before or after such indemnification.

- c. In respect of any section of this Policy under which an indemnity is provided for liability to third parties, we may, upon the happening of any event, pay to you the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and we shall thereafter not be under further liability in respect of such event.

### 16. Action Against us

Every action or proceeding against us for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs, with the exception of the Province of Manitoba and Yukon Territory which is extended to two years next after the loss or damage occurs.

### 17. Transfer of Rights of Recovery Against Others to us

If you have rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. You must do nothing after loss to impair them. At our request, you will bring action or transfer those rights to us and help us enforce them.

### 18. Transfer of Your Rights and Duties Under this Policy

Your rights and duties under this Policy shall not be transferred without our written consent except in the case of death of an individual Named Insured. In case of death of the Named Insured, 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.

**CRIME**

**19. Short Rate Cancellation Table**

(% of premium to refund)											
Only applies to policies with a Policy Period of Insurance equal to 12 months											
Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %
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



## CRIME

### 20. Breach of Conditions

The terms and conditions of this Policy shall apply individually to each of the risks insured under each Section and not collectively to them so that any breach shall forfeit the Section only in respect of the risk to which the breach applies and we shall have no liability whatsoever to you in respect of such Policy Section.

### 21. Inspections, Surveys and Audits

We have the right but are not obligated to:

- a. make inspections and surveys at any time;
- b. give you reports on any conditions that we find; and
- c. recommend changes

Any inspections, surveys, reports or recommendations 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

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations on our behalf.

We may examine and audit your books and records as they relate to this policy, at any time during the Policy Period and up to three years after the expiration of this Policy. Any premium due for exposures that exist but were not reported will be determined by our audit. We will compute such premiums in accordance with our rules, rates and rating plans in effect as of the inception date of the Policy.

### 22. Liberalization Clause

If, during the policy period, we revise any of the conditions included in this Policy to provide broader coverage at no increase in premium, your current policy will provide that additional coverage, automatically, as of the date the revision becomes effective.

### 23. Language Clause

#### English Text Clause

You declare and agree that this Document of Insurance has been drawn in the English language in order to enable the coverages herein specified to be underwritten by Insurers offering the required coverages, thus permitting the use of the necessary applicable clauses in the language of their customary issuance and interpretation, thereby avoiding confusion, misinterpretation, and/or disparity of coverage which could otherwise be detrimental to their (his) interest.

#### Clause de Texte Anglais

L'assuré déclare et convient que le présent document d'assurance a été rédigé dans la langue anglaise afin que la souscription des garanties exigées soit effectuée par des assureurs offrant les disponibilités requises, permettant ainsi l'usage des clauses nécessaires dans la langue de leur publication et de leur interprétation coutumière évitant toute confusion, erreur d'interprétation ou disparité de garantie qui pourraient autrement être préjudiciables à ses intérêts.

### General Exclusions

#### 1. War, Riot, Confiscation and Terrorism

This Policy does not cover any loss or damage to property or any liability for "bodily injury", "property damage" or "personal and advertising injury" directly or indirectly caused by, or arising out of, or in connection with:

- a. i. civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing;

- ii. war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
- iii. (a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
- (b) Insurrection, rebellion or revolution;
- iv. any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
- v. Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
- vi. any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof;
- vii. any attempt to perform any act referred to in clause (iv) or (v) above;
- viii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause a. (i), (ii), (iii), (iv), (v) or (vi) herein.

If we allege that, by reason of clause a. (i), (ii), (iii), (iv), (v), (vi) or (vii) of this exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on you.

- b. any act 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 cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of this GENERAL EXCLUSION 1.b.; an act of terrorism means an act including but not limited to the use of violence or force and/or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) or any other person or body of persons, committed for political, religious, personal or ideological reasons or similar purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

If we allege that, by reason of clause 1.c. of these General Exclusions, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest upon you.

#### 2. Nuclear

This Policy does not insure:

- a. Loss or Damage arising directly or indirectly, in whole or in part, out of nuclear reaction or radiation, or radioactive contamination, however caused. Any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas
- b. Loss or Damage arising directly or indirectly, in whole or in part, out of contamination by radioactive material;
- c. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;
- d. "Bodily injury", "property damage" or "personal and advertising

## CRIME

injury” with respect to which an insured under this Policy is also insured under a contract of nuclear energy liability insurance (whether you are unnamed in such contract and whether or not it is legally enforceable by you) 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;

- e. “Bodily injury”, “property damage” or “personal and advertising injury” resulting directly or indirectly from the “nuclear energy hazard” arising from:
- The ownership, maintenance, operation or use of a “nuclear facility” by or on behalf of an insured;
  - 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
  - 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 sequence to the loss.

### 3. Electronic Data Management

This Policy does not cover any loss or damage to property or any liability for “bodily injury”, “property damage” or “personal and advertising injury” directly or indirectly caused by, or arising out of, or in connection with:

- loss or destruction of or damage to any property whatsoever (including any “electronic data processing equipment” or “electronic data”) or any loss or expense whatsoever resulting or arising therefrom;
- any legal liability of whatsoever nature;
- any consequential loss;

directly or indirectly caused by, or contributed to, or consisting of, or arising from, the incapacity or failure of any “electronic data processing equipment

- to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
- to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any “data processing equipment”, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date, or
- to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or
- to capture, save, retain or to process any “electronic data” as a result of the action of any “electronic virus,” or other corrupting, harmful or otherwise unauthorised code, or instruction including any malware, Trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

### 4. Mould, Fungi or Spores

This Policy does not insure:

- loss or damage consisting of or caused directly or indirectly, in whole or in part, by any “fungi” or “spores” unless such “fungi” or “spores” are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this Policy. You

must report to us the existence and cost of the Damage by any “fungi” or “spores” as soon as practicable, but no later than six (6) months after the Listed Peril first caused any Damage to such Insured Property during the Period of Insurance. This Policy does not insure any Damage by mould, mildew, fungus or spores first reported to us after that six (6) month period;

- costs or expenses for any testing, monitoring, evaluating or assessing of “fungi”, or “spores”; and
- (i) “Bodily Injury”, “property damage” or “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, contained, remediate, treat, detoxify, neutralize, assess or other deal with or dispose with “fungi” or “spores”.
- (ii) Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or
- (iii) any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage refer 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”.

### 5. International Sanctions

This policy does not provide any insurance coverage nor provide any benefit hereunder to the extent that the provision of such insurance coverage and/or the provision of such benefit would expose us to any breach of applicable sanction laws.

### 6. Detention, Confiscation and Forfeiture

This Policy does not cover any loss, damage, liability, cost or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition of any property legally carried out by any Custom, Police Service, crime prevention units or other officials or authorities (including but not limited to any property illegally acquired, kept, stored or transported).

### 7. Dishonest or Criminal Acts

This Policy does not cover any loss or damage or liability resulting directly or indirectly from or in connection with any dishonest, fraudulent or criminal acts by you, any of your partners, employees, officers, directors or trustees whether:

- acting alone or in collusion with others; or
- occurring during or after the hours of employment

### General Definitions

Wherever used in this Policy and not more specifically defined by any section:

“**Bodily injury**” means Bodily injury, sickness or disease, sustained by a person, including death resulting from any of these at any time.

“**Business**” means your business operations insured herein as stated in the “Policy Declarations”.

“**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 such facts, concepts and information shall include programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

## CRIME

**“Electronic Data Processing Equipment”** means data processing systems including equipment/networks, component parts and related systems, peripheral equipment including air conditioning and fire protective equipment used solely for data processing operation. This does not include equipment held for sale or distribution and equipment in the course of manufacture.

**“Electronic Virus”** means any unauthorized intrusive code or programming that is entered by any means into insured “Electronic Data Processing Equipment” and “electronic data” and interrupts your operations at any “Premises”.

**“Fungi”** means any form of fungus including but not limited to, yeast, mould, mildew, rust, smut, mushroom, “spores”, mycotoxins, allergens or pathogens, odours, or any other substances, products, or by-products produced by, released by, or arising out of the current or past presence of fungi.

**“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 defames or is injurious to 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. Humiliation;
- g. Discrimination, unless insurance therefore is prohibited by law;
- h. The use of another's advertising idea in your “advertisement”; or
- i. Infringing upon another's copyright, trade dress or slogan in your “advertisement”.

**“Policy Declarations”** means that portion of the insurance contract at the beginning of the Policy that describes the basic information including, but not limited to: Policy Number, Named Insured, Period of Insurance, Main Covers, Exposure Description, Limits of Insurance, Deductibles and Endorsements.

**“Property damage”** means:

- 1) Physical damage 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 damage that caused it; or
- 2) Loss of use of tangible property that is not physically damaged. All such loss of use shall be deemed to occur at the time of the “occurrence” that caused it.

For the purposes of this Policy, “electronic data” is not tangible property

**“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.

**“Spores”** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any “fungi”.

### Provincial General and Statutory Conditions

The following conditions are applicable to all Policy Sections as they may apply

#### 1) Provincial General Conditions Applicable to all Common Law Provinces and Territories except Alberta, British Columbia and Manitoba only

The following policy conditions, as modified or supplemented by the attached forms or endorsements, apply to all perils insured by this Policy

(including fire).

#### 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

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 in such 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 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. 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 fifteen 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

- 1) This contract may be terminated,
  - (a) by the Insurer giving to the Insured written notice of termination at least:
    - (i) five days before the effective date of termination if personally delivered;
    - (ii) fifteen days before the effective date of termination if the contract is terminated by registered mail for nonpayment of premium; or
    - (iii) thirty days before the effective date of termination if the contract is terminated by registered mail for any other reason.
  - (b) by the Insured at any time on request.
- 2) When this contract is terminated by the Insurer,
  - (a) the Insurer shall refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time, subject to any minimum retained premium specified; and
  - (b) the refund shall accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
- 3) When 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 and thirty days mentioned in clauses (1)(a)(ii) and (iii) of this condition commence to run on the day following the receipt of the registered letter at the post office to which it is addressed.

#### 6. Requirements After Loss

- 1) 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

## CRIME

contract, in addition to observing the requirements of conditions 9, 10 and 11,

- (a) immediately give notice of the loss or damage in writing to the Insurer;
  - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
    - (i) giving a complete inventory of the lost or damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
    - (iv) showing the amount of other insurances and the names of other Insurers,
    - (v) showing the interest of the Insured and of all others in the property with particulars of all mortgages, liens, encumbrances and other charges upon the property,
    - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
    - (vii) showing the place where the insured property was located at the time of loss or damage;
  - (c) if required, give a complete inventory of undamaged property, showing in detail quantities, cost, actual cash value;
  - (d) 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.
- 2) The evidence furnished under clauses (1) (c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

### 7. Fraud

Any fraud or wilfully 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

- 1) 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 and to prevent damage to other insured property, including, if necessary, removal to a secure location.
- 2) 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 subsection (1) 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 appraisal 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 to the Insurer 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 proof of loss has been delivered.

### 12. When Loss Payable

The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

### 13. Replacement

- (1) 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 thirty days after receipt of the proof of loss.
- (2) In that event, the Insurer shall commence to repair, rebuild, or replace the property within forty-five days after receipt of the proof 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.

### 16. Contribution

If on the happening of any loss or damage to property in consequence of which a claim is or may be made under this policy there is in force more than one contract covering the same interest, the liability of the Insurer hereunder shall be limited to its rateable proportion of such claim

### 3) Provincial Statutory Conditions

Applicable to Alberta, British Columbia and Manitoba only

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

### 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

## CRIME

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

- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may:
  - (a) terminate the contract in accordance with Statutory Condition 5, or
  - (b) 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.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

### 5. Termination of Insurance

- (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
- (2) 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.
- (3) 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.
- (4) The 15 day period referred to in subparagraph (1) (a) 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

- (1) 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,
  - (a) immediately give notice in writing to the insurer,
  - (b) 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,
    - (i) 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,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the insured,
    - (iv) stating the amount of other insurances and the names of other insurers,
    - (v) 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,

- (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
  - (vii) stating the place where the insured property was at the time of loss,
- (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - (d) if required by the insurer and if practicable,
    - (i) produce books of account and inventory lists,
    - (ii) furnish invoices and other vouchers verified by statutory declaration, and
    - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) 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 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) 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

- (1) 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.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) 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

- (1) 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.

## CRIME

home of any "custodian".

- (2) There is no right to a dispute resolution process under this condition until
  - (a) a specific demand is made for it in writing, and
  - (b) 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

- (1) 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.
- (2) If the insurer gives notice under subparagraph (1) 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

- (1) 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.
- (2) 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.

## Section II: Crime

The cover provided by this Section II: CRIME is subject to the conditions of Subsection I. BROAD FROM MONEY AND SECURITIES; Subsection II. COMPREHENSIVE DISHONESTY, COUNTERFEITING, FORGERY AND FRAUD; the CRIME COMMON COVERAGE EXTENSIONS and the CRIME COMMON CONDITIONS AND LIMITATIONS as they may apply according to the statements and Limits of Insurance shown in the "Policy Declarations".

### Subsection I. Broad Form Money and Securities

#### 1. Insuring Agreements

We will pay for:

- a. Inside Loss
  - (i) loss of "money" and "securities" by their actual destruction, disappearance or unlawful removal from within the "premises" or within any "banking premises";
  - (ii) loss of or damage to "property" by actual or attempted "safe burglary" or "robbery" within the "premises" and for loss of a locked cash drawer, cash box or cash register by actual or attempted unlawful entry into such container within the "premises" or by the unlawful taking of such container from inside the "premises";
  - (iii) damage to the "premises" by "safe burglary", "robbery" or unlawful taking, as referred to in (ii) above, or by or following actual or attempted unlawful entry into the "premises" provided you are the owner or are liable for such damage to the "premises".
- b. Outside Loss
  - (i) loss of "money" and "securities" by their actual destruction, disappearance or unlawful removal from outside the "premises" while being conveyed by a "custodian" or an armoured motor vehicle company or while within the living quarters in the home of any "custodian";
  - (ii) loss of or damage to "property" by actual or attempted "robbery" outside the "premises" while such "property" is being conveyed by a "custodian" or an armoured motor vehicle company or by theft while within the living quarters in the

#### 2. Limit Of Insurance

- a. The most we will pay for any one "occurrence" is the Limit of Insurance stated on the "Policy Declarations".
- b. However, the maximum limit insured will be \$500 or the Limit of Insurance stated on the "Policy Declarations" if:
  - (i) there is no safe on your "premises"; or
  - (ii) the "money" and "securities" insured are not kept in a locked safe while the "premises" are closed for business or while within the living quarters in the home of any "custodian".

#### 3. Exclusions

We will not pay for:

- a. loss or damage by fire, under Insuring Agreement I.1.a., whether or not such fire is caused by an "occurrence", except to "money", "securities", a safe or vault; or
- b. damage to glass or damage to lettering, ornamentation, tapes or foils on the glass; or
- c. loss or damage caused by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military power or by any act or condition incident to any of the foregoing; or
- d. loss or damage due to any nuclear incident as defined in any nuclear liability act, law or statute or any law amendatory thereof, nuclear explosion or contamination by radioactive material; or
- e. loss of or damage to any "property" you hold as postmaster; or
- f. loss of or damage to manuscripts, records or accounts, except for blank value; or
- g. any loss, unless your records are kept in such a manner that we can accurately determine the amount of loss; or
- h. loss or damage due to any fraudulent, dishonest or criminal act committed by you, your partner, or an officer, "employee", director, trustee, or your authorized representative, whether acting alone or in collusion with others. However, this exclusion does not apply to actual or attempted "safe burglary" or "robbery" by persons other than you or your partner; or
- i. loss due to the giving or surrendering of "money" or "securities" in any exchange or purchase, or due to accounting or arithmetical errors or omissions; or
- j. loss of "money" contained in coin operated amusement devices or vending machines, unless the amount of "money" deposited within the device or machine is recorded by a continuous recording instrument therein; or
- k. loss of "money", "securities" or "property" which has been electronically transferred to a person or to a place outside the "premises" on the basis of unauthorized electronic instructions; or
- l. loss of or damage to "money", "securities" or "property" while in the custody of any armoured motor vehicle company, unless such loss is in excess of the amount recovered or received by you under:
  - (i) your contract with said armoured motor vehicle company;
  - (ii) insurance carried by said armoured motor vehicle company for the benefit of users of its service; and
  - (iii) all other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armoured motor vehicle company's service and then this policy shall cover only such excess; or
- m. loss due to the surrender of "money", "securities" or "property" away from the "premises" as a result of threat to do:
  - (i) bodily harm to any person, or
  - (ii) damage to the "premises" or "property" you own or hold in any capacity; provided, however, these exclusions do not apply under Insuring Agreement I.1.b. If coverage is afforded thereunder, to loss of "money", "securities" or "property" while being conveyed by a "custodian" when there was no knowledge by you of any such threat at the time the conveyance was initiated; or

## CRIME

- n. the defense of any legal proceeding brought against you, or to fees, costs or expenses incurred or paid by you in prosecuting or defending a legal proceeding whether or not such proceeding results or would result in a loss to you covered by this policy, except as may be specifically stated to the contrary in this policy; or
- o. potential income, including but not limited to interest and dividends, not realized by you because of loss insured under this Section; or
- p. all damages of any type for which you are legally liable, except direct damages arising from a loss insured under this Section; or
- q. any costs, fees or other expenses incurred by you in establishing the existence of, or amount of loss insured under this Section.

### Subsection II. Comprehensive Dishonesty, Counterfeiting, Forgery and Fraud

The insurance provided by this Subsection II. COMPREHENSIVE DISHONESTY, COUNTERFEITING, FORGERY AND FRAUD is subject to the General Agreements contained herein.

#### 1. Insuring Agreements

We will pay for:

##### a. EMPLOYEE DISHONESTY COVERAGE - FORM A

Loss of "money", "securities" and other "property" which you may sustain, to an amount not exceeding in the aggregate the amount stated on the "Policy Declarations" applicable to this Insuring Agreement 1.1.a. through any acts of "dishonesty" (as defined herein) committed by any of your "employees", acting alone or in collusion with others.

##### b. MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY COVERAGE

Loss due to the acceptance in good faith, in exchange for merchandise, "money" or services, of any post office or express money order, issued or purporting to have been issued by any post office or express company, if such money order is not paid upon presentation, or due to the acceptance in good faith in the regular course of business of counterfeit Canadian or United States paper currency.

##### c. DEPOSITORS FORGERY COVERAGE

Loss which you or any bank which is included in your proof of loss and in which you carry a chequing or savings account, as your respective interests may appear, shall sustain through forgery or alteration of, on or in any cheque, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a sum certain in "money", made or drawn by or drawn upon you, or made or drawn by one acting as your agent, or purporting to have been made or drawn as hereinbefore set forth, including:

- (i) any cheque or draft made or drawn in your name, payable to a fictitious payee and endorsed in the name of such fictitious payee;
- (ii) any cheque or draft procured in a face to face transaction with yourself, or with one acting as your agent, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and
- (iii) any payroll cheque, payroll draft or payroll order made or drawn by yourself, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee; whether or not any endorsement mentioned in (i), (ii) or (iii) be a forgery within the law of the place controlling the construction thereof. Mechanically reproduced facsimile signatures are treated the same as handwritten signatures.

You will be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Insuring Agreement,

whether sustained by you or such bank, shall be paid directly to you in your own name, except in cases where such bank shall have already fully reimbursed you for such loss. Our liability to such bank for such loss shall be a part of and not in addition to the amount of insurance applicable to your office to which such loss would have been allocated had such loss been sustained by you.

If you or such bank shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against you or such bank to enforce such payment and we shall give our written consent to the defense of such suit, then any reasonable attorneys' fees, court costs, or similar legal expenses incurred and paid by you or such bank in such defense shall be construed to be a loss under this Insuring Agreement and our liability for such loss shall be in addition to any other liability under this Insuring Agreement.

##### d. COMPUTER FRAUD OR FUNDS TRANSFER FRAUD

Loss resulting from "computer fraud" or "funds transfer fraud", as defined below.

As used in this Insuring Agreement:

- (i) "Computer fraud" – means:

The wrongful abstraction of "money", "securities" or other "property" which follows and is related to the use of any computer to fraudulently cause the transfer of such "property" from inside the "premises" or a "banking premises" or similar recognized places of safe deposit to a person (other than a "custodian") or to a place outside those "premises".
- (ii) "Funds transfer fraud" - means:
  - (a) fraudulent electronic, telegraphic, cable, teletype or telephone instructions issued to a "financial institution" directing such Institution to debit a "transfer account" and to transfer, pay or deliver "money" or "securities" from such "transfer account" which instructions purport to have been transmitted by you but were in fact fraudulently transmitted by someone other than you without your knowledge or consent, or
  - (b) fraudulent written instructions issued to a "financial institution" directing such Institution to debit a "transfer account" and to transfer, pay or deliver "money" or "securities" from such "transfer account" by use of an electronic funds transfer system at specified intervals or under specified conditions which instructions purport to have been issued by you but were in fact fraudulently issued, forged or altered by someone other than you without your knowledge or consent.
- (iii) "Transfer account" – means an account maintained by you at a "financial institution" from which you can initiate the transfer, payment or delivery of "money" or "securities":
  - (a) by means of electronic, telegraphic, cable, teletype, facsimile or telephone instructions communicated directly or through an electronic funds transfer system, or
  - (b) by means of written instructions establishing the conditions under which transfers are to be initiated by such "financial institution" through an electronic funds transfer system.
- (iv) "Financial institution" - means:
  - (a) a banking, savings or thrift institution, or
  - (b) a stock broker, mutual fund, liquid assets fund or similar investment institution at which you maintains a "transfer account".

##### e. CREDIT CARD FORGERY

Loss which you shall sustain through forgery or alteration of, on or in any written instrument required in conjunction with any credit

## CRIME

card, issued by a duly licensed financial institution for your "business" to you or to any partner, officer or "employee" working for you or to your spouse or any child residing permanently in your residence; provided, however, that you shall fully comply with the provisions, conditions and other terms under which such credit card shall have been issued.

### 2. General Agreements

Applicable to: Subsection COMPREHENSIVE DISHONESTY, COUNTERFEITING, FORGERY AND FRAUD only

#### a. CONSOLIDATION-MERGER

If, through consolidation or merger with, or purchase of assets of, some other concern, any persons shall become "employee" or if you shall thereby acquire the use and control of any additional Premises, the insurance afforded by this Subsection shall also apply as respects such "employees" and premises, provided you shall give us written notice thereof within thirty days thereafter and we shall pay an additional premium computed pro rata from the date of such consolidation, merger or purchase to the end of the current premium period.

#### b. JOINT INSURED

If more than one Insured is covered under this Policy, you shall act for yourself and for every other Insured for all purposes of this Policy. Knowledge possessed or discovery made by any Insured or by any partner or officer thereof shall, for the purposes of Sections 7, 8 and 15 of the CRIME COMMON CONDITIONS AND LIMITATIONS, constitute knowledge possessed or discovery made by every Insured. Cancellation of the insurance hereunder as respects any "employee" as provided in Section 15 of the CRIME COMMON CONDITIONS AND LIMITATIONS shall apply to every Insured. If, prior to the cancellation or termination of this Policy, this Subsection or any Insuring Agreement hereof is cancelled or terminated as to any Insured, there shall be no liability for any loss sustained by such Insured unless discovered within one year from the date of such cancellation or termination. Payment by us to you first named of any loss under this Policy shall fully release us on account of such loss. If you cease for any reason to be covered under this Subsection, then the Insured next named shall thereafter be considered as the Insured first named for all purposes of this Subsection.

#### c. LOSS UNDER PRIOR BOND OR POLICY

If the coverage of an Insuring Agreement of this Subsection, other than Insuring Agreement III, is substituted for any prior bond or policy of insurance carried by you or by any predecessor in your interest, which prior bond or policy is terminated, cancelled or allowed to expire as of the time of such substitution, we agree that such Insuring Agreement applies to loss which is discovered as provided in Section 1. Policy Period, Territory, Discovery; of the CRIME COMMON CONDITIONS AND LIMITATIONS and which would have been recoverable by you or such predecessor under such prior bond or policy except for the fact that the time within which to discover loss thereunder had expired, provided;

- (i) the insurance under this General Agreement C shall be a part of and not in addition to the amount of insurance afforded by the applicable Insuring Agreement of this Subsection.
- (ii) such loss would have been covered under such Insuring Agreement had such Insuring Agreement with its agreements, conditions and limitations as of the time of such substitution been in force when the acts or events causing such loss were committed or occurred; and
- (iii) recovery under such Insuring Agreement on account of such loss shall in no event exceed the amount which would have been recoverable under such Insuring Agreement in the amount for which it is written as of the time of such

substitution, had such Insuring Agreement been in force when such acts or events were committed or occurred, or the amount which would have been recoverable under such prior bond or policy had such prior bond or policy continued in force until the discovery of such loss, if the latter amount be smaller.

Insuring Agreement 1.c. DEPOSITORS FORGERY COVERAGE shall also cover loss sustained by you at any time before the termination or cancellation of said Insuring Agreement 1.c., which would have been recoverable under the coverage of some similar form of forgery insurance (exclusive of fidelity insurance) carried by you or any predecessor in your interest, had such prior forgery insurance given all of the coverage afforded under Insuring Agreement III; provided, with respect to loss covered by this paragraph:

- (a) the coverage of Insuring Agreement II.1.c. DEPOSITORS FORGERY COVERAGE is substituted on or after the date hereof for such prior forgery coverage and you or such predecessor, as the case may be, carried such prior forgery coverage on the office at which such loss was sustained continuously from the time such loss was sustained to the date the coverage of Insuring Agreement II.1.c. was substituted therefore;
- (b) at the time of discovery of such loss, the period for discovery of loss under all such prior forgery insurance has expired; and
- (c) if the amount of insurance carried under Insuring Agreement II.1.c. DEPOSITORS FORGERY COVERAGE applicable to the office at which such loss is sustained is larger than the amount applicable to such office under such prior forgery insurance, and in force at the time such loss is sustained, then liability hereunder for such loss shall not exceed the smaller amount.

### Crime Common Coverage Extensions

Applicable to both: Subsection MONEY AND SECURITIES and Subsection COMPREHENSIVE DISHONESTY, COUNTERFEITING, FORGERY AND FRAUD. The indemnity under this Section II: CRIME is also extended to cover for the Additional Expenses incurred by you as a result of a CRIME covered loss as follows:

#### 1. Audit Expenses

Subject to the Limit shown on the "Policy Declarations" as pertaining to this coverage, we hereby agree to indemnify you for reasonable expenses incurred by you for services of outside auditors, accountants or investigators, arising out of a covered event under this Policy Section, Section II: CRIME, provided our consent is obtained in advance, to establish loss as required by the terms of this Policy.

Exclusion g. shall not apply to this Additional Coverage.

#### 2. Court Costs and Attorney's Fees

Subject to the Limit shown on the "Policy Declarations" as pertaining to this coverage, we hereby agree to indemnify you for reasonable attorneys' fees, court costs or similar legal expenses incurred and paid by you in the defence of any suit brought against you arising out of a covered event under this Policy Section, Section II: CRIME, provided our consent is obtained in advance, to establish loss as required by the terms of this Policy.

Exclusion d. shall not apply to this Additional Coverage.

### Crime Common Conditions, Exclusions, Definitions and Limitations

The following sections: SECTION 1 to SECTION 18 are applicable to both: Subsection I. MONEY AND SECURITIES and Subsection II. COMPREHENSIVE DISHONESTY, COUNTERFEITING, FORGERY AND FRAUD.

### SECTION 1: Policy Period, Territory, Discovery



## CRIME

Loss is covered under this Section only if discovered not later than one year from the end of the Policy Period. Subject to General Agreement c:

- a. this Section, except under Insuring Agreements II.1.a. EMPLOYEE DISHONESTY COVERAGE and II.1.c. DEPOSITORS FORGERY COVERAGE, applies only to loss which occurs during the Policy Period within Canada or any of the States of the United States of America;
- b. Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE applies only to loss sustained by you through fraudulent or dishonest acts committed during the Policy Period by any of the "employees" engaged in the regular service for you within the territory designated above or while such "employees" are elsewhere for a limited period;
- c. Insuring Agreement II.1.c. DEPOSITORS FORGERY COVERAGE applies only to loss sustained during the Policy Period.

### SECTION 2: Exclusions

This Section does not apply:

- a. to loss due to any fraudulent, dishonest, or criminal act by any Insured or a partner therein, whether acting alone or in collusion with others;
- b. under Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE, to loss, or to that part of any loss, as the case may be, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation;
- c. to loss due to the surrender of "money", "securities" or other property away from the Premises as a result of a threat to do:
  - (i) bodily harm to any person, or
  - (ii) damage to the Premises or "property" owned by you or held by you in any capacity;

Provided, however, these exclusions do not apply to Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE if coverage is afforded thereunder;

- d. to the defence of any legal proceeding brought against you, or to fees, costs or expenses incurred or paid by you in prosecuting or defending any legal proceeding whether or not such proceeding results or would result in a loss to you covered by this Policy, except as may be specifically stated to the contrary in this Section;
- e. to potential income, including but not limited to interest and dividends, not realized by you because of a loss covered under this Section;
- f. to all damages of any type for which you are legally liable, except direct damages arising from a loss covered under this Section II: CRIME; and
- g. to all costs, fees and other expenses incurred by you in establishing the existence of, or amount of loss covered under this Section II: CRIME.

### SECTION 3: Definitions

The following terms, as used in Section II: CRIME, shall have the respective meanings stated in this Section 3: Definitions:

**"Banking Premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.

**"Burglary"** (except as used in a Stock Burglary Rider) means the unlawful taking of insured "property" from within the "premises" by a person unlawfully entering or leaving the "premises" as evidenced by marks of forcible entry or exit.

In the event that insurance is provided by a Stock Burglary Rider, "burglary" shall mean the unlawful taking of insured "property" from within the "premises", showcases or show windows, by a person unlawfully entering or leaving the

"premises", showcases or show windows as evidenced by marks of forcible entry to or exit from the "premises", showcases or show windows.

**"Custodian"** means you or your partner or any "employee" authorized by you to have the care and custody of insured "property", excluding any person while acting as a "guard", janitor, porter, or "watchman".

**"Dishonesty"** means dishonest or fraudulent acts committed by an "employee" with the manifest intent:

- a. to cause you to sustain such loss; and
- b. to obtain financial benefit for the "employee", or for any other person or organization intended by the "employee" to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.

**"Employee(s)"** means any natural person (except a director or trustee of yours, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the regular service of yours in the ordinary course of your business during the Policy Period and whom you compensates by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. As applied to loss under Insuring Agreement I, the above words "while in the regular service of yours shall include the first 30 days thereafter; subject, however to Sections 15 and 16 hereof.

**"Guard"** means any able-bodied person who accompanies a "custodian" at your direction, but who is not a driver of a public conveyance.

**"Jewellery"** means jewellery, watches, gems, pearls, precious or semiprecious stones and articles containing one or more gems, pearls, or precious or semi-precious stones.

**"Money"** means currency, bank notes, bullion and coins in current use and having a face value.

**"Occurrence"** means any act or series of related acts involving one or more persons which results in a loss insured by this policy.

**"Premises"** means the interior of that portion of any building you occupy in conducting your business at the address designated on the "Policy Declarations" but shall not include:

- a. showcases or show windows not opening directly into the interior of the premises, or
- b. public entrances, halls or stairways. If insurance is provided by the Inside/ Outside Robbery Section, or the Money and Securities Section, the definition of "premises" is extended to include the space immediately surrounding such building occupied solely by you in conducting your business but shall not include (1) showcases or show windows not opening directly into the interior of the premises, or (2) public entrances, halls or stairways.

If insurance is provided by a Church Theft Rider, the definition of "premises" is extended to include: the rectory, parish-house, parsonage, manse, or residence occupied by a duly constituted financial or administrative officer of yours; that portion of any other building which is owned by or leased to you and used for the religious, educational, recreational or social activities of your congregation; and the grounds and out-buildings incidental to the above.

If insurance is provided by a Damage to Building by Burglary or Robbery Rider the definition of "premises" is extended to include the building and permanent fittings and fixtures attached thereto and forming part thereof.

**"Property"** means any property usual to your business other than "money" and "securities" that has intrinsic value but does not include motor vehicles, trailers or semi-trailers or equipment and accessories attached to them or any property that is excluded under any rider.

## CRIME

**“Robbery”** means the taking of insured “property” from a “custodian”:

- a. by a person or persons who have caused or threatened to cause the “custodian” bodily harm; or
- b. by violence inflicted upon a “custodian”; or
- c. by a person or persons who have committed any other overt unlawful act committed in the presence of a “custodian” and of which he/she was actually cognizant, provided such other act is not committed by an officer, partner or “employee” of the Insured; or
- d. from within the “premises” by means of compelling a “custodian” by violence or threat of violence while outside the “premises” to admit a person into the “premises” or to furnish them with means of ingress into the “premises”.

**“Safe Burglary”** means the unlawful taking of:

- a. insured “property” from a vault or safe, or a vault which contains a safe located within the “premises”, by a person making unlawful entry into such vault, safe, or vault containing a safe, provided that:
  - (i) all doors of the vault, safe or vault and safe are closed and locked; and
  - (ii) the unlawful entry was forcible and is evidenced by visible marks on the exterior of the vault, safe, or vault containing the safe; or
- b. the unlawful taking of the vault, safe, or vault containing the safe from within the “premises”, provided that all doors of such vault, safe or vault containing the safe are closed and locked.

**“Securities”** means all negotiable and nonnegotiable instruments or contracts representing “money” or other “property”, and includes revenue and other stamps in current use, tokens, and tickets but does not include “money”.

**“Watchman”** means any person employed exclusively by you to have care and custody of insured “property” inside the “premises”, while the “premises” are closed for business, and who has no other duties.

### SECTION 4: Loss Caused by Unidentifiable Employees

If a loss is alleged to have been caused by the fraud or dishonesty of any one or more of the “employees” and you shall be unable to designate the specific “employee” or “employees” causing such loss, you shall nevertheless have the benefit of Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE, subject to the exclusion provisions of Section 2.b. of the CRIME COMMON CONDITIONS AND LIMITATIONS Section, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more of the said “employees”, and provided, further, that our aggregate liability for any such loss shall not exceed the Limit of Liability applicable to Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE.

### SECTION 5: Ownership of Property;

Interest Covered The insured property may be owned by you, or held by you in any capacity whether or not you are liable for the loss thereof, or may be property as respects which you are legally liable; provided, Insuring Agreement II.1.b. MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY COVERAGE applies only to your interest in such property, including the your liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in your proof of loss, in which event the proof of loss conditions of Section 8 are applicable to them.

### SECTION 6: Books and Records

You shall keep records of all the insured property in such manner that we can accurately determine therefrom the amount of loss.

### SECTION 7: Prior Fraud, Dishonesty or Cancellation

The coverage of Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE shall not apply to any “employee” from and after the time that you or any partner or officer thereof not in collusion with such “employee” shall

have knowledge or information that such “employee” has committed any fraudulent or dishonest act in the service of yours or otherwise, whether such act be committed before or after the date of employment by you. If, prior to the issuance of this Policy, any fidelity insurance in your favour or any predecessor in your interest and covering one or more of your “employees” shall have been cancelled as to any of such “employees” by reason of the giving of written notice of cancellation by us issuing such fidelity insurance, whether the insurer or not, and if such “employees” shall not have been reinstated under the coverage of said fidelity insurance or superseding fidelity insurance, we shall not be liable on account of such “employees” unless we shall agree in writing to include such “employees” within the coverage of Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE.

### SECTION 8: Loss; Notice – Proof – Actions Against Company

Upon knowledge or discovery of loss or of an occurrence which may give rise to a claim for loss, you shall: (a) give notice thereof as soon as practicable to us or any of its authorized agents and, except under Insuring Agreements II.1.a. EMPLOYEE DISHONESTY COVERAGE and 1.c. DEPOSITORS FORGERY COVERAGE, also to the police if the loss is due to a violation of law; (b) file detailed proof of loss, duly sworn to, with us within four months after the discovery of loss.

### Proof of loss under Insuring Agreement 1.c.

DEPOSITORS FORGERY COVERAGE shall include the instrument which is the basis of claim for such loss, or if it shall be impossible to file such instrument, your affidavit or your bank of deposit setting forth the amount and cause of loss shall be accepted in lieu thereof. Upon our request, you shall submit to examination by us, subscribe the same, under oath if required, and produce for our examination all pertinent records, all at such reasonable times and all manners pertaining to loss or claims with respect thereto. No action shall lie against us unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Section, nor until ninety days after the required proofs of loss have been filed with us, nor at all unless commenced within two years from the date when you discover the loss. If any limitation of time for notice of loss or any legal proceeding herein contained is shorter than that permitted to be fixed by agreement under any statute controlling the construction of this Section, the shortest permissible statutory limitation of time shall govern and shall supersede the time limitation herein stated.

### SECTION 9: Valuation – Payment

Replacement In no event shall we be liable as respects “securities” for more than the actual cash value thereof at the close of business on the business day next preceding the day on which the loss was discovered, nor as respects other property, for more than the actual cash value thereof at the time of loss; provided, however, the actual cash value of such other property held by you as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by you when making the advance or loan, nor in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates. We may, with your consent, settle any claim for loss of property with the owner thereof. Any property for which we have made indemnification shall become our property. In case of damage to the Premises or loss of property other than “securities”, we shall not be liable for more than the actual cash value of such property, or for more than the actual cost of repairing such Premises or property or of replacing same with property or material of like quality and value. We may, at our election, pay such actual cash value, or make such repairs or replacements. If you and us cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration.

### SECTION 10: Recoveries

If you shall sustain any loss covered by this Section which exceeds the applicable amount of insurance hereunder, you shall be entitled to all

## CRIME

recoveries (except from surety ship, insurance, reinsurance, security or indemnity taken by or for our benefit) by whomsoever made, on account of such loss under this Section until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to our reimbursement.

### SECTION 11: Limits of Liability

Payment of loss under Insuring Agreements II.1.a. EMPLOYEE DISHONESTY COVERAGE or II.1.c. DEPOSITORS FORGERY COVERAGE shall not reduce our liability for other losses under the applicable Insuring Agreement whenever sustained. Our total liability (a) under Insuring Agreement 1.a, Form A, for all loss caused by any "employee(s)" or in which such "employee(s)" is concerned or implicated or (b) under Insuring Agreement III, for all loss by forgery or alteration committed by any person or in which such person is concerned or implicated, whether such forgery or alteration involves one or more instruments, is limited to the applicable amount of insurance specified on the "Policy Declarations" or endorsement amendatory thereto. Our liability for loss sustained by any or all of the Insureds shall not exceed the amount for which we would be liable had all such loss been sustained by any one of the Insureds. Except under Insuring Agreements II.1.a. EMPLOYEE DISHONESTY COVERAGE and II.1.c. DEPOSITORS FORGERY COVERAGE, the applicable limit of liability stated on the "Policy Declarations" is our total limit of liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. All loss incidental to an actual or attempted fraudulent, dishonest or criminal act or series of related acts at the Premises, whether committed by one or more persons, shall be deemed to arise out of one occurrence. Regardless of the number of years this Policy shall continue in force and the number of premiums which shall be payable or paid, the limit of our liability as specified on the "Policy Declarations" shall not be cumulative from year to year or period to period.

### SECTION 12: Limit of Liability Under this Rider and Prior Insurance

This Section shall apply only to Insuring Agreements II.1.a. EMPLOYEE DISHONESTY COVERAGE and II.1.c. DEPOSITORS FORGERY COVERAGE. With respect to loss caused by any person (whether one of the "employees" or not) or in which such person is concerned or implicated or which is chargeable to any "employee" as provided in Section 4 and which occurs partly during the Policy Period and partly during the period of other bonds or policies issued by the us to you or to any predecessor in your interest and terminated or cancelled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, our total liability under this Policy and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under the applicable Insuring Agreement of this Section on such loss or the amount available to you under such other bonds or policies, as limited by the terms and conditions thereof, for any such loss, if the latter amount be the larger.

### SECTION 13: Other Insurance

If there is available to you any other insurance or indemnity covering any loss covered by Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE or II.1.c. DEPOSITORS FORGERY COVERAGE, we shall be liable hereunder 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 Insuring Agreement 1.c. shall first be paid under Insuring Agreement II.1.c. DEPOSITORS FORGERY COVERAGE. Any loss covered under both Insuring Agreements II.1.a. EMPLOYEE DISHONESTY COVERAGE and II.1.c. DEPOSITORS FORGERY COVERAGE shall first be paid under Insuring Agreement II.1.c. DEPOSITORS FORGERY COVERAGE and the excess, if any, shall be paid under Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE. We waive any right of contribution which it may have against any forgery insurance carried by any depository bank which is indemnified under Insuring Agreement II.1.c. DEPOSITORS FORGERY COVERAGE. Under any other

Insuring Agreement, if there is any other valid and collectible insurance which would apply in the absence of such Insuring Agreement, the insurance under this Section shall apply only as excess insurance over such other insurance;

provided, the insurance shall not apply (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance, or (b) to property otherwise insured unless such property is owned by you.

### SECTION 14: Subrogation

In the event of any payment under this Section, we shall be subrogated to all your rights of recovery therefore against any person or organization and you shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. You shall do nothing after loss to prejudice such rights.

### SECTION 15: Cancellation to Any Employee

Insuring Agreement II.1.a. EMPLOYEE DISHONESTY COVERAGE, shall be deemed cancelled as to any "employee": (a) immediately upon discovery by you, or by any partner or officer thereof not in collusion with such "employee", of any fraudulent or dishonest act on the part of such "employee"; or (b) at 12:01 a.m., standard time as aforesaid, upon the effective date specified in a written notice mailed to you. Such date shall be not less than fifteen days after the date of mailing. The mailing by us of notice as aforesaid to you at the address shown in this Policy shall be sufficient proof of notice. Delivery of such written notice by us shall be equivalent to mailing.

### SECTION 16: Cancellation of Rider or Insuring Agreement

This Section or any Insuring Agreement may be cancelled by you by mailing to us written notice stating when thereafter the cancellation shall be effective. This Section or any Insuring Agreement may be cancelled by us by mailing you at the address shown in this Policy written notice stating when not less than fifteen days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the Policy Period for any affected Insuring Agreement. Delivery of such written notice either by you or by us shall be equivalent to mailing. If you cancel, earned premium shall be computed in accordance with the customary short rate table and procedure. If we cancel, earned premium shall be computed pro rata. 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.

### SECTION 17: Assignment

Assignment of interest under this Section shall not bind us until its consent is endorsed hereon; if, however, you shall die, this Section shall cover your legal representative as Insured; provided that notice of cancellation addressed to the person named in the Declarations and mailed to the address shown in this Policy shall be sufficient notice to effect cancellation of this Section.

### SECTION 18: Changes

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 Section or stop us from asserting any right under the terms of this Section; nor shall the terms of this Section be waived or changed, except by endorsement issued to form a part of this Section signed by one of our officers. By acceptance of this Section you agree that it embodies all agreements existing between you and us or any of its agents relating to this insurance.

## CRIME

### EMPLOYEE DEFINITION AMENDMENT ENDORSEMENT

This Endorsement modifies the coverage provided under AGCS – PM 1001 CANADA 12-17 Section II: Crime.

It is agreed that “Employee” as defined in **Section 3: Definitions** is amended to include the following:

- a) Any elected officer, director and/or council member of the Insured, and any successor of such officer, director and/or council member of the Insured while serving in such capacity during the Policy Period.
- b) Any employee who performs the duties of building manager, caretaker, superintendent or janitor, his or her spouse and their children over 18 years of age who reside with such employee provided, however, that:
  - i. such employee, spouse and children shall be regarded collectively as one employee;
  - ii. the provisions of the policy relating to fraudulent or dishonest acts of any employee shall likewise apply to such acts of his or her spouse and children or any of them;
  - iii. cancellation of coverage afforded to any such employee shall simultaneously apply to his or her spouse and children.
- c) employees of the Property Management Company, but only while performing work for the Insured.

Except as otherwise provided in this endorsement, all terms, provisions and conditions of the policy shall have full force and effect. All terms not otherwise defined in this endorsement will have the same meaning as in the form to which this endorsement is attached.

# COMMERCIAL GENERAL LIABILITY

## General Policy Terms, Conditions, Exclusions and Definitions

All Coverage Sections included in this Policy are subject to the following General Policy terms, conditions, exclusions and Definitions unless these conditions are either modified or supplemented in the specific Coverage Sections or endorsement(s) attached and forming part of this Policy.

## General Terms and Conditions

### 1. Period of Insurance or Policy Period

The insurance coverage afforded under this Policy will be effective after the commencement date shown in the "Policy Declarations" and will terminate after the expiry date shown in the "Policy Declarations".

### 2. Policy Jurisdiction

This policy shall be deemed to have been made under and shall be governed by the laws and decisions of the province or territory shown in the mailing address of the Named Insured, as it is shown in the "Policy Declarations". The Courts in the Court District in which the Named Insured is located shall have exclusive jurisdiction in case of a coverage dispute.

### 3. Provincial General and Statutory Conditions

This policy shall be governed by the Provincial General and Statutory Conditions contained in this section GENERAL POLICY TERMS, CONDITIONS, EXCLUSIONS AND DEFINITIONS as they may apply.

### 4. Representations

By accepting this Policy, you agree that:

- a. The statements in the "Policy Declarations" are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Policy in reliance upon those representations, written or otherwise made by you or on your behalf.

### 5. Prevention of Loss

You, your employees, partners, directors and officers will employ their best efforts to take all reasonable precautions to prevent accidents or losses and prevent or cease any activity which may give rise to a liability or to any bodily injury, personal injury or "property damage" and shall take all reasonable steps to observe and comply with all statutory or local authority laws obligations and requirements.

### 6. Notice to Authorities

Where the loss is due to malicious acts, burglary, robbery, theft or attempt thereat, or is suspected to be so due, you shall give immediate notice to the police or other authorities having jurisdiction.

### 7. Other Insurance

We will not indemnify you in respect of any liability which is insured by or would but for the existence of this Policy be insured by any other Policy except in respect of any excess beyond the amount payable under such other Policy or which would have been payable under such Policy had this Policy not been effected.

### 8. Currency

All limits of insurance, premiums and other amounts as expressed in this policy or shown on the "Policy Declarations" are in Canadian Dollars.

### 9. Headings and Titles of Paragraphs

The headings and titles of paragraphs in this Policy are included for descriptive purposes only and do not form part of this Policy for the purpose of its construction or interpretation.

### 10. Premium Payment

The premium is due in advance and, if it is not received by us by due

date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding Period of Insurance unless you can show that failure to make payment was an error on the part of your bank or other paying agent

- a. Where premium is payable monthly, the due date will be the first day of every calendar month;
- b. Where premium is payable quarterly, half yearly or annually, the due date will be the first day of each third, sixth or twelfth calendar month.

### 11. Premium Adjustment

If any part of the premium of this Policy is based on estimates furnished by you, you shall keep an accurate record containing all relative particulars and shall allow us to inspect such record. You shall supply such particulars as we may require within one month from the expiry of each Period of Insurance and the premium shall thereupon be adjusted by us, subject to any minimum premium that may apply. At our request you shall supply an auditor's certificate in support of such particulars

### 12. Limits of Insurance

Liability for any amount payable under this Policy for each and every loss or liability shall not exceed the Limits of Indemnity as shown in the "Policy Declarations" applicable to each section. Except where provided for specifically in any section, the Limits of Indemnity shall be inclusive of the deductible as shown in the "Policy Declarations" for the applicable Period of Insurance, and is also, where applicable, inclusive of all costs and expenses; including all costs and expenses we incur or which we incur on your behalf in defending any claim.

An aggregate limit, when applicable, is the most we will pay during the Policy period for the corresponding coverage.

### 13. Blank Insured Amounts

If in the "Policy Declarations" the sum insured, limit of indemnity or the compensation amounts are:

- a. Left blank or have no monetary amount stipulated against it, or
- b. Are reflected as [Nil] or [Not applicable] or [Not covered] or [No Indemnity extended];

this shall mean that the defined events or circumstances shown in the "Policy Declarations" are not insured by this Policy.

### 14. Deductible

Where a deductible is shown in the "Policy Declarations" for the applicable Peril Insured, the deductible is the first part of all compensation and costs and expenses to be paid by you before we shall be liable to make any payment in terms of this Policy.

### 15. Our Rights After a Covered Event

- a. On the happening of any event in respect of which a claim is or may be made under this Policy, we and every person authorised by us may, without being obliged to, and without thereby incurring any liability and without diminishing our right to rely upon any terms, conditions and exclusions of this Policy;
  - i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of your leave and license to us to do so. You shall not be entitled to abandon any property to us whether taken possession of by us or not
  - ii. take over and conduct in your name the defence or settlement of any claim and prosecute in your name for your own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by you without our written consent
- b. You shall, at our expense, do and permit to be done all such things as may be necessary or reasonably required by us for the purpose

## COMMERCIAL GENERAL LIABILITY

of defending any claim, or enforcing any rights to which we shall be, or would become, subrogated upon indemnification of you whether such things shall be required before or after such indemnification.

- c. In respect of any section of this Policy under which an indemnity is provided for liability to third parties, we may, upon the happening of any event, pay to you the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and we shall thereafter not be under further liability in respect of such event.

### **16. Action Against us**

Every action or proceeding against us for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs, with the exception of the Province of Manitoba and Yukon Territory which is extended to two years next after the loss or damage occurs.

### **17. Transfer of Rights of Recovery Against Others to us**

If you have rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. You must do nothing after loss to impair them. At our request, you will bring action or transfer those rights to us and help us enforce them.

### **18. Transfer of Your Rights and Duties Under this Policy**

Your rights and duties under this Policy shall not be transferred without our written consent except in the case of death of an individual Named Insured. In case of death of the Named Insured, 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.

## COMMERCIAL GENERAL LIABILITY

### 19. Short Rate Cancellation Table

(% of premium to refund)											
Only applies to policies with a Policy Period of Insurance equal to 12 months											
Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %	Time-on-Risk (Days)	Refund %
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

## COMMERCIAL GENERAL LIABILITY

### 20. Breach of Conditions

The terms and conditions of this Policy shall apply individually to each of the risks insured under each Section and not collectively to them so that any breach shall forfeit the Section only in respect of the risk to which the breach applies and we shall have no liability whatsoever to you in respect of such Policy Section.

### 21. Inspections, Surveys and Audits

We have the right but are not obligated to:

- a. make inspections and surveys at any time;
- b. give you reports on any conditions that we find; and
- c. recommend changes

Any inspections, surveys, reports or recommendations 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

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations on our behalf.

We may examine and audit your books and records as they relate to this policy, at any time during the Policy Period and up to three years after the expiration of this Policy. Any premium due for exposures that exist but were not reported will be determined by our audit. We will compute such premiums in accordance with our rules, rates and rating plans in effect as of the inception date of the Policy.

### 22. Liberalization Clause

If, during the policy period, we revise any of the conditions included in this Policy to provide broader coverage at no increase in premium, your current policy will provide that additional coverage, automatically, as of the date the revision becomes effective.

### 23. Language Clause

#### English Text Clause

You declare and agree that this Document of Insurance has been drawn in the English language in order to enable the coverages herein specified to be underwritten by Insurers offering the required coverages, thus permitting the use of the necessary applicable clauses in the language of their customary issuance and interpretation, thereby avoiding confusion, misinterpretation, and/or disparity of coverage which could otherwise be detrimental to their (his) interest.

#### Clause de Texte Anglais

L'assuré déclare et convient que le présent document d'assurance a été rédigé dans la langue anglaise afin que la souscription des garanties exigées soit effectuée par des assureurs offrant les disponibilités requises, permettant ainsi l'usage des clauses nécessaires dans la langue de leur publication et de leur interprétation coutumière évitant toute confusion, erreur d'interprétation ou disparité de garantie qui pourraient autrement être préjudiciables à ses intérêts.

### General Exclusions

#### 1. War, Riot, Confiscation and Terrorism

This Policy does not cover any loss or damage to property or any liability for "bodily injury", "property damage" or "personal and advertising injury" directly or indirectly caused by, or arising out of, or in connection with:

- a.
  - i. civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing;
  - ii. war, invasion, act of foreign enemy, hostilities or warlike

- operations (whether war be declared or not) or civil war;
    - iii. (a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
    - (b) Insurrection, rebellion or revolution;
  - iv. any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
  - v. Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
  - vi. any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof;
  - vii. any attempt to perform any act referred to in clause (iv) or (v) above;
  - viii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause a. (i), (ii), (iii), (iv), (v) or (vi) herein.

If we allege that, by reason of clause a. (i), (ii), (iii), (iv), (v), (vi) or (vii) of this exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on you.

- b. any act 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 cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of this GENERAL EXCLUSION 1.b.; an act of terrorism means an act including but not limited to the use of violence or force and/or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) or any other person or body of persons, committed for political, religious, personal or ideological reasons or similar purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

If we allege that, by reason of clause 1.c. of these General Exclusions, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest upon you.

#### 2. Nuclear

This Policy does not insure:

- a. Loss or Damage arising directly or indirectly, in whole or in part, out of nuclear reaction or radiation, or radioactive contamination, however caused. Any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas
- b. Loss or Damage arising directly or indirectly, in whole or in part, out of contamination by radioactive material;
- c. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;
- d. "Bodily injury", "property damage" or "personal and advertising injury" with respect to which an insured under this Policy is also insured under a contract of nuclear energy liability insurance



## COMMERCIAL GENERAL LIABILITY

(whether you are unnamed in such contract and whether or not it is legally enforceable by you) 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;

- e. "Bodily injury", "property damage" or "personal and advertising injury" 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 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 sequence to the loss.

### 3. Electronic Data Management

This Policy does not cover any loss or damage to property or any liability for "bodily injury", "property damage" or "personal and advertising injury" directly or indirectly caused by, or arising out of, or in connection with:

- a. loss or destruction of or damage to any property whatsoever (including any "electronic data processing equipment" or "electronic data") or any loss or expense whatsoever resulting or arising therefrom;
  - b. any legal liability of whatsoever nature;
  - c. any consequential loss;
- directly or indirectly caused by, or contributed to, or consisting of, or arising from, the incapacity or failure of any "electronic data processing equipment"
- (i) to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
  - (ii) to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any "data processing equipment", being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date, or
  - (iii) to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or
  - (iv) to capture, save, retain or to process any "electronic data" as a result of the action of any "electronic virus," or other corrupting, harmful or otherwise unauthorised code, or instruction including any malware, Trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

### 4. Mould, Fungi or Spores

This Policy does not insure:

- a. loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "fungi" or "spores" unless such "fungi" or "spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this Policy. You must report to us the existence and cost of the Damage by any "fungi" or "spores" as soon as practicable, but no later than six (6)

months after the Listed Peril first caused any Damage to such Insured Property during the Period of Insurance. This Policy does not insure any Damage by mould, mildew, fungus or spores first reported to us after that six (6) month period;

- b. costs or expenses for any testing, monitoring, evaluating or assessing of "fungi", or "spores"; and
- c. (i) "Bodily Injury", "property damage" or "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, contained, remediate, treat, detoxify, neutralize, assess or other deal with or dispose with "fungi" or "spores".
- (ii) Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or
- (iii) any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage refer 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".

### 5. International Sanctions

This policy does not provide any insurance coverage nor provide any benefit hereunder to the extent that the provision of such insurance coverage and/or the provision of such benefit would expose us to any breach of applicable sanction laws.

### 6. Detention, Confiscation and Forfeiture

This Policy does not cover any loss, damage, liability, cost or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition of any property legally carried out by any Custom, Police Service, crime prevention units or other officials or authorities (including but not limited to any property illegally acquired, kept, stored or transported).

### 7. Dishonest or Criminal Acts

This Policy does not cover any loss or damage or liability resulting directly or indirectly from or in connection with any dishonest, fraudulent or criminal acts by you, any of your partners, employees, officers, directors or trustees whether:

- a. acting alone or in collusion with others; or
- b. occurring during or after the hours of employment

### General Definitions

Wherever used in this Policy and not more specifically defined by any section:

**"Bodily injury"** means Bodily injury, sickness or disease, sustained by a person, including death resulting from any of these at any time.

**"Business"** means your business operations insured herein as stated in the "Policy Declarations".

**"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 such facts, concepts and information shall include programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

**"Electronic Data Processing Equipment"** means data processing systems including equipment/networks, component parts and related systems,

## COMMERCIAL GENERAL LIABILITY

peripheral equipment including air conditioning and fire protective equipment used solely for data processing operation. This does not include equipment held for sale or distribution and equipment in the course of manufacture.

**“Electronic Virus”** means any unauthorized intrusive code or programming that is entered by any means into insured “Electronic Data Processing Equipment” and “electronic data” and interrupts your operations at any “Premises”.

**“Fungi”** means any form of fungus including but not limited to, yeast, mould, mildew, rust, smut, mushroom, “spores”, mycotoxins, allergens or pathogens, odours, or any other substances, products, or by-products produced by, released by, or arising out of the current or past presence of fungi.

**“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 defames or is injurious to 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. Humiliation;
- g. Discrimination, unless insurance therefore is prohibited by law;
- h. The use of another's advertising idea in your “advertisement”; or
- i. Infringing upon another's copyright, trade dress or slogan in your “advertisement”.

**“Policy Declarations”** means that portion of the insurance contract at the beginning of the Policy that describes the basic information including, but not limited to: Policy Number, Named Insured, Period of Insurance, Main Covers, Exposure Description, Limits of Insurance, Deductibles and Endorsements.

**“Property damage”** means:

- a. Physical damage 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 damage that caused it; or
- b. Loss of use of tangible property that is not physically damaged. All such loss of use shall be deemed to occur at the time of the “occurrence” that caused it.

For the purposes of this Policy, “electronic data” is not tangible property

**“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.

**“Spores”** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any “fungi”.

### Provincial General and Statutory Conditions

The following conditions are applicable to all Policy Sections as they may apply

#### 1) Provincial General Conditions Applicable to all Common Law Provinces and Territories except Alberta, British Columbia and Manitoba only

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

#### 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

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 in such 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 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. 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 fifteen 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

- 1) This contract may be terminated,
  - (a) by the Insurer giving to the Insured written notice of termination at least:
    - (i) five days before the effective date of termination if personally delivered;
    - (ii) fifteen days before the effective date of termination if the contract is terminated by registered mail for nonpayment of premium; or
    - (iii) thirty days before the effective date of termination if the contract is terminated by registered mail for any other reason.
  - (b) by the Insured at any time on request.
- 2) When this contract is terminated by the Insurer,
  - (a) the Insurer shall refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time, subject to any minimum retained premium specified; and
  - (b) the refund shall accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
- 3) When 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 and thirty days mentioned in clauses (1)(a)(ii) and (iii) of this condition commence to run on the day following the receipt of the registered letter at the post office to which it is addressed.

#### 6. Requirements After Loss

- 1) 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,

## COMMERCIAL GENERAL LIABILITY

- (a) immediately give notice of the loss or damage in writing to the Insurer;
  - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
    - (i) giving a complete inventory of the lost or damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
    - (iv) showing the amount of other insurances and the names of other Insurers,
    - (v) showing the interest of the Insured and of all others in the property with particulars of all mortgages, liens, encumbrances and other charges upon the property,
    - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
    - (vii) showing the place where the insured property was located at the time of loss or damage;
  - (c) if required, give a complete inventory of undamaged property, showing in detail quantities, cost, actual cash value;
  - (d) 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.
- 2) The evidence furnished under clauses (1) (c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.
- 7. Fraud**  
Any fraud or wilfully 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**
- 1) 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 and to prevent damage to other insured property, including, if necessary, removal to a secure location.
  - 2) 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 subsection (1) 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 appraisal 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 to the Insurer 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 proof of loss has been delivered.
- 12. When Loss Payable**  
The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.
- 13. Replacement**
- (1) 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 thirty days after receipt of the proof of loss.
  - (2) In that event, the Insurer shall commence to repair, rebuild, or replace the property within forty-five days after receipt of the proof 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.
- 16. Contribution**  
If on the happening of any loss or damage to property in consequence of which a claim is or may be made under this policy there is in force more than one contract covering the same interest, the liability of the Insurer hereunder shall be limited to its rateable proportion of such claim
- 3) Provincial Statutory Conditions**  
Applicable to Alberta, British Columbia and Manitoba only
- The following policy conditions, as modified or supplemented by the attached forms or endorsements, apply to all perils insured by this Policy (including fire).
- 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.

## COMMERCIAL GENERAL LIABILITY

### 4. Material Change in Risk

- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may:
  - (a) terminate the contract in accordance with Statutory Condition 5, or
  - (b) 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.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

### 5. Termination of Insurance

- (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
- (2) 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.
- (3) 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.
- (4) The 15 day period referred to in subparagraph (1) (a) 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

- (1) On the happening of any loss or of 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,
  - (a) immediately give notice in writing to the insurer,
  - (b) 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,
    - (i) 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,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the insured,
    - (iv) stating the amount of other insurances and the names of other insurers,
    - (v) 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,

- (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
  - (vii) stating the place where the insured property was at the time of loss,
- (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - (d) if required by the insurer and if practicable,
    - (i) produce books of account and inventory lists,
    - (ii) furnish invoices and other vouchers verified by statutory declaration, and
    - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) 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 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) 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

- (1) 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.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) 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

- (1) 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.

## COMMERCIAL GENERAL LIABILITY

- (2) There is no right to a dispute resolution process under this condition until
- a specific demand is made for it in writing, and
  - 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

- 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.
- If the insurer gives notice under subparagraph (1) 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

- 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 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.

---

## Section III: Commercial General Liability

**This Section Insures for the Coverages and the Limits Shown in the "Policy Declarations" Subject to all Provisions contained in Section III herein.**

For the purposes of this Section, SECTION III: COMMERCIAL GENERAL LIABILITY, the word "insured" means you or any person or organization qualifying as such under SUBSECTION II - WHO IS AN INSURED.

If any portion of these conditions are found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

### Subsection I – Coverages

#### Coverage A: Bodily Injury and Property Damage Liability

##### 1. Insuring Agreement

- We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend you against any "action" seeking those damages. However, we will have no duty to defend you against any "action" seeking 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:
  - The amount we will pay for damages is limited as described in Subsection III –Limits Of Insurance; and
  - 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, D 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.

- This insurance applies to "bodily injury" and "property damage" only if:
  - The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
  - The "bodily injury" or "property damage" occurs during the policy period; and
  - Prior to the policy period, no insured listed under Paragraph 1. of Subsection 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.
- "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 Subsection 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.
- "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 Subsection II – Who Is An Insured, or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
  - Reports all or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

##### 2. Exclusions

The insurance protection provided under Coverage A does not apply to:

- Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from your standpoint. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property nor to any insured who neither sanctioned nor was a party to the causing of the "bodily injury" or "property damage".
- Contractual Liability**

"bodily injury" or "property damage" for which you are obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages;
  - assumed in a contract or agreement that is an "insured contract"; or
  - that you would have in the absence of the contract or agreement.
- Workers' Compensation and Similar Laws**

any obligation you have under a workers compensation, disability benefits or unemployment compensation law or any similar law.

## COMMERCIAL GENERAL LIABILITY

### d. Employer's Liability

"Bodily injury" to any of your "employees" arising out of and in the course of employment by you.

This exclusion applies:

- (i) Whether you may be liable as an employer or in any other capacity; and
- (ii) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to:

- (i) Liability assumed by you under an "insured contract".
- (ii) To "employees" on whose behalf contributions are made by or required to be made by you under the provisions of any workers' compensation law.

### e. Automobile, Snowmobile

- (i) "Bodily injury" or "property damage" arising out of the ownership, use or operation by or on behalf of any insured of:
  - (a) Any "automobile";
  - (b) Any motorized snow vehicle or its trailers;
  - (c) 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; or
  - (d) Any vehicle which if it were to be insured would be required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, but this exclusion does not apply to 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.
- (ii) "Bodily injury" or "property damage" with respect to which any motor vehicle liability policy is in effect or would be in effect but for its termination upon exhaustion of its limit of liability or is required by law to be in effect.

This Exclusion e. does not apply to "bodily injury" to any of your "employees" on whose behalf contributions are made by or required to be made by you under the provisions of any workers' compensation law.

### f. Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation, loading or unloading, or entrustment to others, by or on behalf of any insured of any watercraft. This exclusion does not apply to:

- (i) A watercraft while ashore on premises you own or rent;
- (ii) A watercraft you do not own that is:
  - (a) Less than 8 metres long; and
  - (b) Not being used to carry persons or property for a charge.
- (iii) "Bodily injury" to any of your "employees" on whose behalf contributions are made by or required to be made by you under the provisions of any workers compensation law.

### g. Aircraft, Airports and Landing Areas

- (i) "Bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation, loading or unloading, or the entrustment to others, by or on behalf of any insured of:
  - (a) Any aircraft; or
  - (b) Any air cushion vehicle.
- (ii) "Bodily injury" or "property damage" arising out of the ownership, existence, use or operation by or on behalf of any insured of any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.

### h. Damage To Property

"Property damage" to:

- (i) 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
- (ii) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (iii) Property loaned to you;
- (iv) Personal property in your care, custody or control;
- (v) 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
- (vi) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (ii) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (iii), (iv), (v) and (vi) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (vi) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

### i. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

### j. Damage To Your Work

"Property damage" to that particular part of "your work" out of which any "property damage" arises 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.

### k. 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:

- (i) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (ii) 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.

### l. Recall of Products, Work or Impaired Property

Property

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

- (i) "Your product";
- (ii) "Your work"; or
- (iii) "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.

## COMMERCIAL GENERAL LIABILITY

**m. Use of Explosives, Vibration Damage, Removal of Structural Support:**

"Property damage" arising out of:

- (i) The use of explosives for blasting;
- (ii) Vibration from pile driving or caisson work; or
- (iii) The removal or weakening of support of any property, building, structure or land whether such support be natural or otherwise.

This exclusion does not apply to "property damage" arising out of work performed on your behalf by any contractor or subcontractor; or to "property damage" included within the "products-completed operations hazard".

**n. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

**o. Personal and Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Pollution – See Common Exclusions**

**q. Asbestos – See Common Exclusions**

**r. Professional Services – See Common Exclusions**

**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 your direction.

**e. Contractual Liability**

"Personal and advertising injury" for failing to perform the obligations for which you have assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that you would have in the absence of the contract or agreement.

**f. Contractual Obligations**

"Personal and advertising injury" arising out of the breach of a written contract.

**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 article, commodity, 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 registered trade mark, service mark, or trade name by use thereof as the registered trade mark, service mark, or trade name of goods or services sold, offered for sale or advertised, but this shall not relate to tales or slogans.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at your direction with knowledge of its falsity.

**j. Insureds in Media and Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (i) Advertising, broadcasting, publishing or telecasting;
- (ii) Designing or determining content of web-sites for others; or
- (iii) An Internet search, access, content or service provider.

**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 you exercise control.

**l. Unauthorized Use of Another's Name or Product**

"Personal and advertising injury" arising out of an unauthorized use of another's name or product.

**m. Professional Services – See Common Exclusions**

### Coverage B: Personal and Advertising Injury Liability

#### 1. Insuring Agreement

a. We will pay those sums that you become legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend you against any "action" seeking those damages. However, we will have no duty to defend the insured against any "action" seeking 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:

- (i) The amount we will pay for damages is limited as described in Subsection III – Limits Of Insurance; and
- (ii) 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

The insurance protection provided under Coverage B does not apply to:

**a. Knowing Violation of Rights of Another**

"Personal and advertising injury" caused by or at your direction 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.

## COMMERCIAL GENERAL LIABILITY

### Coverage C: Medical Payments

#### 1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (i) On premises you own or rent;
  - (ii) On ways next to premises you own or rent; or
  - (iii) Because of your operations; provided that:
    - (a) The accident takes place in the "coverage territory" and during the policy period;
    - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
    - (c) 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 Subsection 2.III – Limits of Insurance. We will pay reasonable expenses for:
  - (i) First aid administered at the time of an accident;
  - (ii) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - (iii) Necessary ambulance, hospital, professional nursing and funeral services.

#### 2. Exclusions

The insurance protection provided under Coverage C 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**  
To a person injured while taking part in athletics.
- f. **Prohibited by Law**  
The payment of which is prohibited by law.
- g. **Products-Completed Operations**  
Hazard Included within the "products-completed operations hazard".
- h. **Coverage A Exclusions**  
Excluded under Coverage A.

### Coverage D: Tenants' Legal Liability

#### 1. Insuring Agreement

We will pay those sums that the insured becomes legally obligated to pay as damages because of "property damage" to which this insurance applies. 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. This insurance applies only to "property damage" caused by fire, explosion, smoke or leakage from fire protective equipment to premises rented to you or occupied by you. This insurance applies only to "property damage" which occurs during the policy period. The "property damage" must be caused by an "occurrence". The "occurrence" must take place in the "coverage territory". We will have the right and duty to defend any "action" seeking those damages but:

- (i) The amount we will pay for damages is limited as described in Subsection III – Limits Of Insurance; and
- (ii) We may investigate and settle any claim or "action" at our discretion; and
- (iii) 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 D or medical expenses under Coverage C.

#### 2. Exclusions

The insurance protection provided under Coverage D does not apply to:

- a. **Expected or Intended Damage**  
"Property damage" expected or intended from your standpoint.
- b. **Contractual Liability**  
"Property damage" for which you are obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that you would have in the absence of the contract or agreement.
- c. **Pollution – See Common Exclusions**
- d. **Asbestos – See Common Exclusions**
- e. **Professional Services – See Common Exclusions**

### Common Exclusions -Coverages: A, B, C and D

#### 1. Pollution Liability

This insurance does not apply to:

- a. "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":
  - (i) 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 1.a.(i) does not apply to:
    - (a) "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;
    - (b) "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
    - (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";



## COMMERCIAL GENERAL LIABILITY

- (ii) 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;
- (iii) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - (a) Any insured; or
  - (b) Any person or organization for whom you may be legally responsible; or
- (iv) 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 1.a.(iv) does not apply to:
  - (a) "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;
  - (b) "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
  - (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (v) 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".

b. Nor this insurance apply to any loss, cost or expense arising out of any:

- (i) 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
- (ii) Claim or "action" by or on behalf of a governmental authority for 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 Condition b. does not apply to liability for damages because of "property damage" that you 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.

### 2. Asbestos

This insurance does not apply to:

"Bodily injury" or "property damage" or "personal and advertising injury", including loss of use, for past, present, or future claims arising in whole or in part, either directly or indirectly, out of the manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of, or exposure to, or fear of, asbestos or products containing asbestos whether or not the asbestos is or was at any time airborne as a fibre or particle, contained in a product, carried on clothing, inhaled, transmitted in any fashion, or found in any form whatsoever.

It is further agreed that this insurance will not become excess of any reduced or exhausted aggregate self-insured retention to the extent such reduction or exhaustion is the result of claims, damage or loss excluded herein.

### 3. Professional Services

"Bodily injury" or "property damage" or "personal and advertising injury" due to an error, omission, malpractice or mistake committed by you or on your behalf in rendering or failing to render "professional services" for others.

### Supplementary Payments - Coverages: A, B and D

We will pay, with respect to any claim or "action" 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 you 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 from work.
- d. All costs taxed against you in the "action" and any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

### Deductible Clause - Coverages: A and D

This clause applies only when an amount of money is shown under Deductible in the Declarations.

- a. Our obligation under Bodily Injury Liability, Property Damage Liability and Tenants' Legal Liability to pay damages on your behalf applies only to the amount of 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 "Aggregate Limit" for such coverages shall not be reduced by the application of such deductible amount.
- b. The deductible amounts stated in the Declarations apply as follows:
  - (i) **PER CLAIM BASIS** - if the deductible is on a "per claim" basis, the deductible amount applies:
    - (a) Under Coverage A:
      - (1) Bodily Injury Liability or Property Damage Liability, respectively:
        - (aa.) To all damages because of "bodily injury" sustained by one person, or
        - (bb.) To all damages because of "property damage" sustained by one person or organization as the result of any one "occurrence".

## COMMERCIAL GENERAL LIABILITY

- (2) Bodily Injury Liability and Property Damage Liability combined, to all damages because of "bodily injury" and "property damage" sustained by one person or organization as the result of any one "occurrence",
- (b) 'Under Coverage D:  
Tenants' Legal Liability, to all damages because of "property damage" sustained by one person or organization as the result of any one "occurrence",
- (ii) **PER OCCURRENCE BASIS** - if the deductible is on a "per occurrence" basis, the deductible amount applies:
- (a) Under Coverage A:
- (1) Bodily Injury Liability or Property Damage Liability, respectively:
- (aa.) To all damages because of "bodily injury" as the result of any one "occurrence", or
- (bb.) To all damages because of "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".
- (2) Bodily Injury Liability and Property Damage Liability combined, to all 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 damages because of that "occurrence".
- (b) Under Coverage D:  
Tenants' Legal Liability, to damages because of "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".
- (c) The terms of this insurance, including those with respect to:
- (1) our right and duty to defend any "action" seeking those damages; and
- (2) your duties in the event of an "occurrence", claim or "action" apply irrespective of the application of the deductible amount.
- (d) 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.
- (ii) "Bodily injury" or "personal and advertising injury" 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; or
- (iii) "Bodily injury" or "personal and advertising injury" arising out of his or her providing or failing to provide professional health care services; or
- (iv) "Property damage" to property owned or occupied by or rented or loaned to that employee, any of your other "employees", or any of your partners or members (if you are a partnership or joint venture).
- b. Any person (other than your employee), 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:
- (i) With respect to liability arising out of the maintenance or use of that property; and
- (ii) Until your legal representative has been appointed.
- d. Your legal representative if you die, but only
- (i) 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 or joint venture, and over which you maintain ownership or majority interest, will be deemed to be 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 offence 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 or joint venture that is not shown as a Named Insured in the Declarations.

### Subsection 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 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. An organization other than a partnership or joint venture, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
2. Each of the following is also an insured:
- a. Your "employees", other than your executive officers, but only for acts within the scope of their employment by you. However, none of these "employees" is an insured for:
- (i) "Bodily injury" or "personal and advertising injury" to you or to a co-employee while in the course of his or her employment: or

### Subsection III – Limits of Insurance

1. The Limits of Insurance stated 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 Products - Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products- completed operations hazard".
3. The Personal and advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of "personal and advertising injury".
4. Subject to 2. above, if applicable, the Each Occurrence Limit is the most we will pay for the sum of
- a. damages under Coverage A and Coverage D; and
- b. Medical expenses under Coverage C; because of all "bodily injury" and "property damage" arising out of any one "occurrence".
5. Subject to 4. above, the Tenants' Legal Liability Limit is the most we will pay under Coverage D for damages because of "property damage" to any one premises.

## COMMERCIAL GENERAL LIABILITY

6. 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 this policy 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.

### Subsection IV – Commercial General Liability Conditions

If any portion of these conditions are found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

#### 1. Bankruptcy.

Your bankruptcy or insolvency or of your 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, Claim or Action.

- a. You must see to it that we are notified promptly of an "occurrence" which may result in a claim. Notice should include:
- (i) How, when and where the "occurrence" took place; and
  - (ii) The names and addresses of any injured persons and of witnesses.
- b. If a claim is made or "action" is brought against any insured, you must see to it that we receive prompt written notice of the claim or "action".
- c. You and any other involved insured must:
- (i) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
  - (ii) Authorize us to obtain records and other information;
  - (iii) Co-operate with us in the investigation, settlement or defense of the claim or "action"; and
  - (iv) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of injury or damage to which this insurance may also apply.
- d. No insureds will, except at their 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.

- a. We have the right but are not obligated to:

- (i) Make inspections and surveys at any time;
  - (ii) Give you reports on the conditions we find; and
  - (iii) Recommend any changes.
- b. Any inspections, surveys, reports or recommendations 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:
- (i) Are safe or healthful; or or
  - (ii) Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

#### 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 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 obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative. Every "action" or proceeding against us shall be commenced within one year next after the date of such judgment or agreed settlement and not afterwards. If this policy is governed by the law of Quebec every action or proceeding against us shall be commenced within three years from the time the right of action arises.

#### 8. Other Insurance.

If other valid and collectible insurance is available to you for a loss we cover under Coverages A, B or D of this policy 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 any of the other insurance, whether primary, excess, contingent or on any other basis:
- (i) That is Property Insurance such as, but not limited to, Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work" or for premises rented to you; or
  - (ii) If the loss arises out of the
  - (iii) If the loss arises out of the maintenance or use of watercraft to the extent not subject to Exclusion f. of Coverage A (Subsection I).

When this insurance is excess, we will have no duty under Coverage A, B or D to defend any claim or "action" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to all of your 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:

- (i) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (ii) The total of all deductible and self-insured amounts under all that other insurance.

## COMMERCIAL GENERAL LIABILITY

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 Audit.

- a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.
- b. Premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured subject to the retention of the retained shown in the Declarations of this Coverage Form.
- 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.

By accepting this Coverage Form, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Form in reliance upon your representations.

### 12. Separation of Insureds, Cross Liability.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned 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. Transfer of Rights of Recovery Against Others to Us.

If you have rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. You must do nothing after loss to impair them. At our request, you will bring "action" or transfer those rights to us and help us enforce them.

### 14. 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.

## Subsection V - Definitions

1. **"Action"** means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Action" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
2. **"Automobile"** means any self-propelled land motor vehicle, trailer or semi-trailer (including machinery, apparatus, or equipment attached thereto) which is principally designed and is being used for transportation of persons or property on public roads.
3. **"Bodily Injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. **"Cleanup"** means to test for, monitor, clean-up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize or in any way respond to or assess the effect of "pollutants".
5. **"Coverage territory"** means anywhere in the world subject to the following conditions:
  - a. We will reimburse you for any incurred loss or expense if we are not prevented by law or otherwise from making payments on your behalf; and
  - b. Notwithstanding any other provision of this of this Policy, we shall have the right and the duty, if permitted by law or otherwise, to investigate, defend and settle any claim or "action". In the event we are not authorized to investigate, settle or defend any case, you shall, with our supervision, make or cause to be made such investigation and defenses as are reasonably necessary and, subject to our prior authorization, will effect to the extent possible such settlement(s) as we and you deem prudent. We will reimburse you for the reasonable cost of such investigation and defense and, within the applicable limits of liability of the policy, for the amounts of such authorized settlements.
6. **"Employee"** includes a "leased worker" and a "temporary worker".
7. **"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:
    - (i) The repair, replacement, adjustment or removal of "your product" or "your work"; or
    - (ii) Your fulfilling the terms of the contract or agreement.
8. **"Insured contract"** means:
  - a. A lease of premises;
  - 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 indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
  - f. An elevator maintenance agreement; or
  - g. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of "bodily injury" or "property damage" to a third person or organization, if the contract or agreement is made prior to the "bodily injury" or "property damage". Tort liability means a

## COMMERCIAL GENERAL LIABILITY

liability that would be imposed by law in the absence of any contract or agreement.

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - (i) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
    - (ii) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
  - b. Under which if you are an architect, engineer or surveyor, assumes liability for injury or damage arising out of your rendering or failing to render professional services, including those listed in 1) above and supervisory, inspection or engineering services.
9. **"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".
10. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
11. **"Personal and Advertising Injury"** means injury, other than "bodily injury", arising out of one or more of the following offences:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
  - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
  - e. Oral or written publication of material that violates a person's right of privacy.
  - f. libel, slander, defamation, infringement of copyright, title or slogan, piracy, unfair competition, idea, misappropriation or invasion of rights of privacy committed, in any advertisement, publicity article, broadcast or telecast and resulting from your advertising activities.
12. **"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:
    - (i) Products that are still in your physical possession; or
    - (ii) Work that has not yet been completed or abandoned."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 site has been completed if your contract calls for work at more than one site.
    - (c) When that part of 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. This hazard does not include "bodily injury" or "property damage" arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.
13. **Professional Services**  
This includes but is not limited to:
  - a. Legal, accounting or advertising services;
  - b. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications by any architect, engineer or surveyor performing services on a project on which you serve as construction manager;
  - c. The rendering or failure to render any professional services by or for you in the performance of any claim, investigation, adjustment, appraisal or audit service;
  - d. Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
  - e. Engineering services, including related supervisory or inspection services;
  - f. Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;
  - g. Any health or therapeutic service treatment, advice or instruction;
  - h. Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
  - i. Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, body building or physical training programs;
  - j. Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
  - k. Body piercing services;
  - l. Services in the practice of pharmacy; but this exclusion does not apply if you are a retail druggist or your operations are those of a retail drugstore;
  - m. Law enforcement or firefighting services; and
  - n. Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.
14. **"Pollutants"** means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, odour, vapour, soot, fumes, alkalis, acids, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
15. **"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.
16. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent employee on leave or to meet seasonal or short term workload conditions.
17. **"Your product"** means:
  - a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
    - (i) You;
    - (ii) Others trading under your name; or
    - (iii) A person or organization whose business or assets you have acquired; and
  - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products."Your product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.
18. **"Your work"** means:
  - a. Work or operations performed by you or on your behalf; and
  - b. Materials, parts or equipment furnished in connection with such work or operations.

## COMMERCIAL GENERAL LIABILITY

"Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. or b. above.

### Subsection VI - Commercial General Liability Coverage Extensions

It is understood and agreed that the following Extensions modify or extend the coverage provided under: Section III - Commercial General Liability Insurance

#### Elevator/Escalator Collision

Our liability, to one or all insureds, for coverage as provided in the Insuring Clause shall in no event exceed the Limit of Liability as stated in the "Policy Declarations" for any one accident or series of accidents, arising out of one cause resulting in the damage to or destruction of property of one or more claimants, but this limit of liability is exclusive of all legal and other expenses incurred by us in the investigation of claims and the defence of suits for damage.

#### 1. Insuring Agreement:

We will pay on your behalf all sums which you become legally obligated to pay as damages because of loss of or damage to an elevator/escalator on property owned, leased, occupied or used by or in the care, custody or control of the Named Insured, caused by accidental collision of the elevator/ escalator or any such property carried thereon with another object.

#### 2. Exclusions

This coverage extension does not apply:

- a. To liability arising out of loss of use in respect of property owned by you; or
- b. To liability arising out of any loss resulting directly or indirectly from the breaking, burning out or disrupting of any electrical machine not located within the elevator/escalator; or
- c. To liability arising out of any loss or damage by fire, however caused.

#### Incidental Medical Malpractice

Section III of this Policy is extended to cover:

Incidental Medical Malpractice; "bodily injury" arising out of the rendering or failure to render, during the period of this Coverage Form, the following services:

- a. medical, surgical, dental, x-ray or nursing service or treatment or the related furnishing of food or beverages; or
- b. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

by any insured listed under Paragraph 1 and 2 of Subsection II – Who Is An Insured causing the "incidental medical malpractice injury" who is not engaged in the business or occupation of providing any of the services described in a) and b) above.

However, this coverage Extension does not apply to the following:

- a. expenses incurred for first-aid to others at the time of an accident;
- b. any voluntary payment, assumption of any obligation, or any other expense incurred, without our previous consent;
- c. any insured engaged in the business or occupation of providing any of the services described under a. and b. above;
- d. injury caused by any indemnitee, if such indemnitee is engaged in the business or occupation of providing any of the services described under a. and above;
- e. bodily injury to any person to or for whom benefits or damages on account thereof are payable under any workers' compensation, disability benefits or unemployment compensation law or any similar law or any valid and collectible voluntary compensation or employer's liability insurance available to you.

#### Tenants' Legal Liability – Broad Form

Limit of Liability: for Each Occurrence COVERAGE D. TENANTS' LEGAL LIABILITY Insuring Agreement is amended as follows:

- a. By deleting the following sentence from that Insuring Agreement: "This insurance applies only to 'property damage' caused by fire, explosion, smoke or leakage from fire protective equipment to premises rented to you or occupied by you."; and
- b. By replacing that sentence with the following new sentence: "This insurance applies only to 'property damage' to premises rented to you or occupied by you."

#### Products Liability – Mould Extension

Section III of this Policy is extended to cover:

In respect to Products Liability; "bodily injury" or "property damage" resulting from any of your covered products when they have mould or other fungi as their customary components and they are intended to be consumed as a food, beverage or medicine.

#### Privacy Breach Liability and Expenses

#### 1. Insuring Agreement

- a. Privacy Breach Liability (Claims Made and Reported):

We will indemnify you for those sums that you become legally obligated to pay as damages because of an actual or alleged "Privacy Breach" covered "claim", up to the amount of the limit of insurance available for this Extension shown on the "Policy Declarations", provided all of the following conditions have been met:

You have experienced a "Privacy Breach"; and

- (i) Such "Privacy Breach" did not occur before the "retroactive date" and it is first discovered by you during the Policy period; and
- (ii) At the time of applying for this insurance you did not have any knowledge of circumstances which may give rise to a claim under this endorsement; and
- (iii) Such "Privacy Breach" is first reported to us as soon as practicable after the date it is first discovered by you, but in no event later than 30 days after it is first discovered; and
- (iv) The "Privacy Breach" must involve "Private Personal Data" that was held in Canada by you or on your behalf.

- b. Privacy Breach Expenses:

We will reimburse you for the expenses incurred by you to mitigate a covered "Privacy Breach". We will pay up to the amount of the limit of insurance available for this Extension shown on the "Policy Declarations" in respect to reasonable and necessary direct expenses incurred for any of the "Privacy Breach Expenses" set forth hereunder:

- (i) "Privacy Breach Notification Expenses"
- (ii) "Crisis Management Service Expenses"
- (iii) "Identity Restoration Case Management Service Expenses"
- (iv) "Computer and Network Forensic Consulting Service Expenses"
- (v) "Data Breach Reward Expenses"

#### 2. Exclusions

Privacy Breach Insuring Agreements a. and b. do not insure against expenses incurred resulting directly or indirectly from:

- a. Any "Privacy Breach" that first occurred prior to the "retroactive date", whether known to you or not.
- b. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you, any partner(s),

## COMMERCIAL GENERAL LIABILITY

director(s) or trustee(s) or employee(s) acting alone or in collusion with others; or whether occurring during or outside of the hours of employment.

- c. Any fines, penalties or surcharges or fees from affected financial institutions, provincial or federal regulators and or courts of law.
- d. Criminal investigations or proceedings, or any civil investigations or proceedings initiated by a government agency or authority;
- e. Except as provided under "Computer and Network Forensic Consulting Service Expenses", any expense to investigate or correct a deficiency in your systems, employee management, vendor management, internal systems, procedures, computer network or system firewalls, computer network or system antivirus or any other physical or procedural security which may have contributed to the "Privacy Breach".
- f. "Privacy Breach" or "Privacy Breach Expenses" arising out of the failure to apply or the improper application of necessary software patches;
- g. "Privacy Breach" arising out of any virus, worm, trojan, bot or any other malicious code, software, spyware or malware that was, on the date the data breach occurred, named and recognized by the CERT Coordination Centre, and any other industry acceptable third party antivirus, antimalware or other solution that monitors malicious code activity;
- h. Any other expenses such as expenses to reissue credit or debit cards or any other expenses not provided for under "Privacy Breach Expenses" described above.
- i. Any expense or other loss caused by or resulting from delay, loss of use, loss of existing or prospective markets, diminished value or any other consequential loss.
- j. Any threat, extortion or blackmail including but not limited to, ransom payments and private security assistance.
- k. Third party's costs incurred from liability claims or defense costs, other than what you become legally obligated to pay.

### 3. Limits of Insurance

The most we will pay for all insured expenses in any one "Privacy Breach" is the limit shown on the "Policy Declarations".

All incidents of "Privacy Breach" that are discovered at the same time or arise from the same cause or from a series of similar causes will be considered one "Privacy Breach". All theft of "Private Personal Data" caused by any person or in which that person is involved, whether the result of a single act or series of related acts, is considered a single incident of "privacy breach".

Regardless of when expenses are incurred, we will not pay "Privacy Breach Expenses" in excess of the Limit of Insurance that is applicable to the policy period when the "Privacy Breach" was first discovered.

### 4. Definitions

- a. "**Claim**" under the context of this Extension means any written or oral notice received by you from any party advising that it is the intention of such party to hold you responsible for a "Privacy Breach".
- b. "**Computer and Network Forensic Consulting Service Expenses**" are those reasonable and necessary digital forensic services required to determine the scope and extent of any unauthorized disclosure, release or theft of electronic information resulting from a "Privacy Breach" or breach of privacy regulations.
- c. "**Crisis Management Service Expenses**" means the reasonable and necessary costs and fees incurred by you for the retention of a public relations consultant provided such action is necessary to avoid or mitigate damage to your brand(s) and the cost of effecting notification on a wide scale of the data breach via the media.
- d. "**Data Breach Reward Expenses**" means any money that you pay for information which leads to the arrest and conviction of an

individual(s) who commits or attempts to commit a "Privacy Breach" covered by this Form.

- e. "**Identity Restoration Case Management Service Expenses**" means where available and warranted, expenses incurred to provide victims with:
  - (i) Credit, fraud, public records or other monitoring services for a period of up to one year; and
  - (ii) Identity fraud education and resolution assistance.
- f. "**Privacy Breach**" means the loss, theft, accidental release or accidental publication of "Private Personal Data" entrusted to you if such loss, theft, accidental release or accidental publications has or could reasonably result in the fraudulent use of such information.
- g. "**Privacy Breach Expenses**" means "Privacy Breach Notification Expenses", "Crisis Management Service Expenses", "Identity Restoration Case Management Service Expenses" and "Computer and Network Forensic Consulting Service Expenses".
- h. "**Privacy Breach Notification Expenses**" means necessary expenses incurred by the Insured in order to fulfill a government mandated order, requirement or request to notify individuals affected by a "Privacy Breach".
- i. "**Private Personal Data**" means an individual's name or first initial and last name in combination with their social insurance number, bank account number, credit and debit card account numbers, PIN numbers or transaction history, driver's license number, medical diagnosis, patient history and medications and any other applicable private information that may be defined by Federal or Provincial statutes or regulations.
- j. "**Retroactive Date**" means the inception date of your first Allianz Commercial Package Policy which was consecutively renewed with us and includes the coverage provided under this Extension.

### Non Owned Automobile Liability Insurance – Spf #6

(Where a Standard Policy Form is available specific to the Province in which this policy was issued the terms and conditions of that form shall supersede that which follows.)

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 AND IS AS FOLLOWS

#### Third Party Liability

Subject to the limit of insurance stated in the "Policy Declarations" as applicable to Non-Owned Automobile Liability such limit shall apply (exclusive of interest and costs) for loss or damage resulting from bodily injury to or death of one or more persons and for loss or damage to property, regardless of the number of claims arising from any one accident.

#### Insuring Agreement

Now, therefore, in consideration of the payment of the premium specified 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:

## COMMERCIAL GENERAL LIABILITY

### 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 Named Insured if the Named Insured is an individual; or
- \* (b) For any liability imposed upon any person insured by this Policy:
  - (1) By any workers' 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\* Not applicable in the Province of Ontario
- (c) 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
- (d) For any amount in excess of the limit stated above, 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".

### 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) To be liable to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, but not more than the limit applicable to non-owned automobile as shown in the Declarations; 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 Insurer 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 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

"Hired automobiles" - as used in this Policy means automobiles hired, leased, or borrowed from others with or without drivers, used under the control of the Insured in the business and for incidental personal use of the Insured, 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

"Automobiles operated under contract" - as used in this Policy means automobiles operated in the business of the "Insured" 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.

### Statutory Conditions

The Statutory Conditions of the Non-Owned Automobile Policy as set out in the Insurance Act of the Province in which this Policy is issued shall be deemed to form part of this Policy except the Cancellation Condition of this Policy shall apply in place of the termination condition therein.

### Excluding Long Term Leased Vehicles – Sef #99 Attachment to SPF #6

(Where a Standard Endorsement Form is available specific to the Province in which this endorsement was issued, the terms and conditions of that form shall supersede that which follows.)

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 Non Owned Automobile policy to which this endorsement is attached is 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."

### Legal Liability for Damage to Hired Automobiles – Sef #94 Attachment to SPF #6

(Were a Standard Endorsement Form is available specific to the Province in which this endorsement was issued, the terms and conditions of that form shall supersede that which follows.)



## COMMERCIAL GENERAL LIABILITY

In consideration of the premium herein stated, it is understood and agreed that 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 of the Insuring Agreement hereof for which a premium is stated and no other.

### Section B - Legal Liability for Damage to Hired Automobile

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 object therein or thereon.

Loss or damage caused by missiles, falling 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 this subsection 3.

Subsection 4 - SPECIFIED PERILS - caused by fire, lightning, theft or attempt thereof, 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 of 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 semitrailers attached thereto shall be held to be separate automobiles with respect to the limit of liability, including the deductible provision, if any, under this Insuring Agreement.

### Exclusions

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 mechanical 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 such 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

- d) material; or
- e) to contents of trailers or to rugs or robes; or
- f) 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.

## COMMERCIAL GENERAL LIABILITY

### 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.

Subsection	Limits and Amounts	Type of Automobile	Estimated Cost Of Hire	Rate Per \$100	Advance Premium
1. All Perils	See Policy Declarations	As known to us	As known to us	As known to us	INCL.
2. Collision or Upset	See Policy Declarations	As known to us	As known to us	As known to us	
3. Comprehensive	See Policy Declarations	As known to us	As known to us	As known to us	
4. Specified Perils	See Policy Declarations	As known to us	As known to us	As known to us	
Minimum Retained Premium	Included				

The advance premiums for this endorsement are subject to adjustment in the same manner as those stated under Item 5 of the application.

### Contractual Liability Endorsement – Sef #96

#### Attachment to SPF #6

(Where a Standard Endorsement Form is available specific to the Province in which this endorsement was issued, the terms and conditions of that form shall supersede that which follows.)

In consideration of the premium charged it is understood and agreed that exclusion (c) of the Insuring Agreement of the Policy to which this endorsement is attached is amended to read as

- a) For any liability assumed by any person insured by this Policy voluntarily under any contract or Agreement other than those stated below:

Date (s) of contract(s):

AS KNOWN TO US

Name (s) of other contracting party or parties:

AS KNOWN TO US

Except as otherwise provided in this extension, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

## COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY.  
PLEASE READ IT CAREFULLY

### EMPLOYEE BENEFITS LIABILITY EXTENSION ~ CLAIMS MADE AND REPORTED

THIS ENDORSEMENT MODIFIES COVERAGES PROVIDED UNDER:  
SECTION III – COMMERCIAL GENERAL LIABILITY OF THE BLUE EAGLE  
COMMERCIAL PACKAGE™ POLICY.

With respect to **Subsection VI – Commercial General Liability Coverage Extensions**, the following is added:

#### EMPLOYEE BENEFITS LIMIT OF INSURANCE AND DEDUCTIBLE

Limit of Insurance: \$1,000,000 each claim and in the Policy Aggregate.

Deductible: NIL

#### INSURING AGREEMENT

We will pay on your behalf, all sums which you shall become legally obligated to pay as a result of claims for damages sustained by an employee, a prospective employee, former employee or the beneficiaries or legal representatives thereof and caused by any negligent act, error or omission committed by you in the “administration” of the Insured’s “Employee Benefit Programs” as defined herein.

The Insurance provided hereunder applies for:

- a) Negligent acts, errors or omissions that are committed on or after the “Retroactive Date” and before the ending date of this Policy;
- b) That at the time of applying for this coverage you did not have any knowledge of circumstances which may give rise to a claim under this endorsement;
- c) That are first made or brought against any Insured while this Policy is in effect; and
- d) That are reported to the Insurer while this agreement is in effect.

#### WHO IS COVERED

The words [you] and [your] refer any insured listed under Paragraph 1 and 2 of Subsection II – Who Is An Insured of Section III – Commercial General Liability of the Package and Multiline Policy

#### LIMIT OF INSURANCE

The Limit of Insurance stated herein is applicable to each claim and is the limit of our liability for all damages incurred as the result of any one claim insured hereunder, but each claim made shall be subject to the deductible amount stated in this endorsement and we shall be liable only for the difference between such deductible amount and the Limit of Insurance for each claim.

The payment of any deductible amount by us shall not operate to reduce the Limit of Insurance.

The aggregate Limit of Insurance shall apply separately to each annual period this insurance is in force.

The inclusion herein of more than one Insured shall not operate to increase the limits of Insurer’s liability.

#### EXCLUSIONS

The Insurance provided hereunder will not apply to:

- (i) any dishonest, fraudulent, criminal or malicious act, libel, slander, discrimination or humiliation;
- (ii) “bodily injury” to, sickness, disease or death of, any person, or to injury to or destruction of any tangible property, including loss of use thereof;
- (iii) any claim for failure of performance of contract by any Insurer;
- (iv) any claim based upon the Insured’s failure to comply with any law concerning Workers’ Compensation, Unemployment Insurance, Social Security or Disability Benefits, or any similar legislation that may be enacted;

- (v) any claim based upon:
  - (1) failure of any investment plan, individual securities or savings plans to perform as represented by you;
  - (2) advice given by you to an employee to participate or not to participate in investment subscription plans
  - (3) the inability of the “Employee Benefit Program” to meet obligations due to insolvency.

#### DEFINITIONS

The insurance provided hereunder does not apply to:

“Administration” means:

- (1) giving counsel to employees with respect to the “Employee Benefit Program”;
- (2) interpreting the “Employee Benefit Program”;
- (3) handling of records in connection with the “Employee Benefit Program”;
- (4) effecting enrolment, termination or cancellation of employees under the “Employee Benefit Program”;

provided all such acts are authorised by the Named Insured.

“Employee Benefit Program” means group automobile insurance, group homeowners insurance, group life insurance, group dental insurance, group health insurance, profit sharing plans, pension plans, early retirement offerings, employee investment subscription plans, Workers’ Compensation, Unemployment Insurance, Social Security, Disability Benefit Insurance, travel, savings or vacation plans or any similar benefit programs.

“Retroactive Date” if no specific retroactive date is mentioned herein, it means the inception date you first obtained and, from which, you have continuously maintained Employee Benefits Liability coverage. Any gap in coverage will terminate the previously-established retroactive date and the new retroactive date will be the date you reestablish coverage.

EXCEPT AS SPECIFICALLY MODIFIED IN THIS ENDORSEMENT; ALL THE CONDITIONS, DEFINITIONS, EXCLUSIONS, PROVISIONS AND TERMS OF SECTION III – COMMERCIAL GENERAL LIABILITY OF THE BLUE EAGLE COMMERCIAL PACKAGE™ POLICY SHALL HAVE FULL FORCE AND EFFECTS AND APPLY TO THE INSURANCE PROVIDED BY THIS ENDORSEMENT.

## COMMERCIAL GENERAL LIABILITY

### AMEND POLLUTION EXCLUSION TO INCLUDE SUDDEN AND ACCIDENTAL POLLUTION – 120 HOURS NOTICE

AGCS-PML-E-CGL0014-PKG0001 CA-20160418

THIS ENDORSEMENT MODIFIES COVERAGES PROVIDED UNDER:  
SECTION III – COMMERCIAL GENERAL LIABILITY

With respect to Subsection I – Coverages, Common Exclusions – Coverages:  
A, B, C and D,

1. Pollution Liability is amended to include the following:

This exclusion does not apply to any liability that arises out of:

- (1) An unexpected and unintentional discharge, dispersal, seepage, migration, release or escape of “pollutants” provided such discharge, dispersal, seepage, migration, release or escape of “pollutants”:
  - (i) Results in injurious presence of “pollutants” in or upon land, the atmosphere, drainage or sewer system, watercourse or body of water;
  - (ii) Is detected within 120 hours after the commencement of the discharge, dispersal, seepage, migration, release, or escape;
  - (iii) Is reported to us within 120 hours of being detected; and
  - (iv) Does not occur in a quantity or quality that is routine or usual to any insured’s business; or
- (2) The licensed fumigation or extermination operations of the Insured under the Pesticides Act (R.S.O. 1980) and Regulation 751 (R.R.O. 1980).

EXCEPT AS SPECIFICALLY MODIFIED IN THIS ENDORSEMENT, ALL THE CONDITIONS, DEFINITIONS, EXCLUSIONS, PROVISIONS AND TERMS OF THE POLICY SHALL HAVE FULL FORCE AND EFFECT.

This Endorsement changes the Policy.  
Please Read it Carefully

### BLANKET ADDITIONAL INSURED EXTENSION

AGCS-PML-E-CGL0016-PKG0001 CA-20160418 (amended)

THIS ENDORSEMENT MODIFIES COVERAGES PROVIDED UNDER:  
SECTION III – COMMERCIAL GENERAL LIABILITY

With respect to Subsection II – Who is an Insured, the following is added:

Any person or organization when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured to your policy. Such person or organization is an additional insured only with respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omissions of those acting on your behalf;

in the performance of the terms of your contract.

However, the insurance afforded to such additional insured:

- (i) Only applies to the extent permitted by law; and
- (ii) Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person’s or organization’s status as an additional insured under this endorsement ends when your contract with that additional insured is complete.

It is agreed that should a written agreement or contract between you and an additional insured require us to waive our rights of subrogation against the additional insured, we agree to do so, but only for that portion of a loss for which you are legally liable.

In the event of cancellation of this policy, notice will not be provided to the additional insureds unless a certificate of insurance, stating the name and address of the certificate holder, has been filed with us.

EXCEPT AS SPECIFICALLY MODIFIED IN THIS ENDORSEMENT, ALL THE CONDITIONS, DEFINITIONS, EXCLUSIONS, PROVISIONS AND TERMS OF THE POLICY SHALL HAVE FULL FORCE AND EFFECT.

## COMMERCIAL GENERAL LIABILITY

This Endorsement changes the Policy.  
Please Read it Carefully

### COMMUNICABLE DISEASE AND VIRUS EXCLUSION

#### AGCS-PML-E-CGL1029-PKG0001 CA-20200501

THIS ENDORSEMENT MODIFIES COVERAGES PROVIDED UNDER:  
SECTION III – COMMERCIAL GENERAL LIABILITY.

With respect to Subsection I – Coverages, Common Exclusions – Coverages:  
A, B, C and D, the following exclusion is added:

#### Communicable Disease and Virus Exclusion

This insurance does not apply to any actual or alleged liability, injury, damage, loss, cost or expense arising in whole or in part, directly or indirectly out of, caused by, resulting from, in consequence with or in any way involving or related to any communicable disease or pathogen, including but not limited to virus, bacterium, prion, protozoa or other microorganism or any variant, strain, adaptation or mutation thereof.

EXCEPT AS SPECIFICALLY MODIFIED IN THIS ENDORSEMENT; ALL THE CONDITIONS, DEFINITIONS, EXCLUSION, PROVISIONS AND TERMS OF SECTION III – COMMERCIAL GENERAL LIABILITY OF THE POLICY SHALL HAVE FULL FORCE AND EFFECT AND APPLY TO THE INSURANCE PROVIDED BY THIS ENDORSEMENT.

## DIRECTORS & OFFICERS LIABILITY

### THIS IS A CLAIMS MADE POLICY. READ IT CAREFULLY.

In consideration of the payment of the premium and in reliance upon all statements made and information furnished to the company shown in the Declarations (a stock insurance company, hereinafter called the **Insurer**), including the statements made in the Proposal Form and subject to all terms, conditions and limitations of this Policy, the **Insured** and **Insurer** agree:

#### Section I. Insuring Agreement

If during the **Policy Period** or the **Discovery Period** any **Claim** is first made against an **Insured** for a **Wrongful Act**, including an **Employment Practices Wrongful Act**, the **Insurer** shall pay on their behalf **Loss** resulting from such **Claim**. 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.

#### Section II. Discovery Period

- A. If this Policy is not renewed or is cancelled, either by the **Organization** or the **Insurer**, for any reason other than non-payment of premium, the **Organization** shall be entitled to acquire an additional reporting period for **Claims** first made against an **Insured** as set forth below, but only with respect to **Wrongful Acts** committed prior to the end of the **Policy Period**. This additional reporting period shall be referred to as the **Discovery Period**.
- B. If this Policy is not renewed by the **Insurer**, the **Discovery Period** shall be the period of ninety (90) days from the end of the **Policy Period**, and there shall be no charge for this **Automatic Discovery Period** of ninety (90) days. If prior to the end of the **Automatic Discovery Period** the **Organization** pays the **Insurer** an additional amount equal to forty percent (40%) of the annual premium of this Policy, the term of the **Discovery Period** shall be extended for an additional twelve (12) months from the end of the **Automatic Discovery Period**. The **Insured** shall have no right to purchase this extension of the **Discovery Period** at any later date.
- C. If this Policy is not renewed or cancelled by the **Organization**, the **Organization** may purchase a **Discovery Period** of twelve (12) months from the end of the **Policy Period**, provided that the **Organization** pays the **Insurer** an additional amount equal to forty percent (40%) of the annual premium of this Policy within thirty (30) days of the end of the **Policy Period**. The **Organization** shall have no right to purchase this **Discovery Period** at any later date.
- D. A renewal quotation by the **Insurer** incorporating materially different terms, conditions, Retention, Limit of Liability or premium with respect to the coverage afforded by this Policy shall be deemed to constitute a refusal to renew by the **Insurer** for the purpose of determining the right to the **Discovery Period**.
- E. The fact that this Policy may be extended by virtue of the **Discovery Period** shall not in any way increase the Limit of Liability stated in Item 3. of the Declarations. For purposes of the Limit of Liability, the **Discovery Period** is considered to be part of and not in addition to the last **Policy Year**.

#### Section III. Definitions

- A. "**Organization**" shall mean the entity named in Item 1. of the Declarations.
- B. "**Insured**" shall mean the **Organization** and any **Subsidiary** and all **Insured Persons**. **Insured** shall also mean any **Property Manager**, but only if such **Property Manager** is acting pursuant to the written authority granted by the **Organization** or any **Subsidiary** or on behalf of and at the direction of the **Organization** or any **Subsidiary**.
- C. "**Insured Persons**" shall mean:
- (1) all persons who were, now are, or shall be council members, directors, officers, employees, volunteers or staff members of the **Organization** or any **Subsidiary**, including any executive board members and committee members, whether salaried or not; and
  - (2) all persons who were, now are, or shall be directors, officers, employees, volunteers or staff members of any **Property Manager**, but only if such persons are acting within the scope of their employment with the **Property Manager** and on behalf of

the **Organization** or any **Subsidiary**.

- D. "**Subsidiary**" shall mean: (1) any entity which qualifies as a not-for-profit organization under section 149(1)(j) and 149(1)(l) of the Income Tax Act, R.S.C. 1985, c.1, as revised, the Internal Revenue Code, other than a political committee organized pursuant to Section 432 of the Federal Election Campaign Act of 1971 (and amendments thereto), and for which the **Organization** has or controls the right to elect or appoint more than fifty percent (50%) of the Board of Directors or other governing body of such entity as of the inception date of this Policy; (2) any similar not-for-profit organization which was subsequently created or acquired by the **Organization** after the inception date of this Policy, if such organization's total assets do not exceed thirty percent (30%) of the total consolidated assets of the **Organization** as of the inception date of this Policy; or (3) any other entity added as a **Subsidiary** by written endorsement to this Policy. Coverage shall apply to a **Subsidiary** only for **Wrongful Acts** committed during the time such entity so qualified as a **Subsidiary**.
- E. "**Wrongful Act**" shall mean any actual or alleged error, mis-statement, misleading statement, act or omission, neglect or breach of duty, or **Employment Practices Wrongful Act** by the **Organization**, and/or a **Subsidiary**, and/or any **Insured Persons** acting in their capacity with the **Organization** or a **Subsidiary**. **Wrongful Act** shall also mean any matter claimed against any **Insured Person** solely by reason of their status with the **Organization**.
- F. "**Employment Practices Wrongful Act**" shall mean any of the following acts related to employment, but only if alleged by or on behalf of a **Claimant**:
- (1) wrongful dismissal, discharge or termination of employment, whether actual or constructive or breach of an implied employment contract;
  - (2) misrepresentation;
  - (3) violation of employment laws;
  - (4) sexual or workplace harassment;
  - (5) discrimination;
  - (6) wrongful failure to employ or promote;
  - (7) wrongful discipline;
  - (8) wrongful deprivation of career opportunity including a wrongful failure to hire or promote;
  - (9) failure to grant tenure;
  - (10) negligent employee evaluation;
  - (11) retaliation;
  - (12) failure to provide adequate workplace or employment policies or procedures;
  - (13) defamation (including libel and slander);
  - (14) invasion of privacy;
  - (15) wrongful demotion;
  - (16) negligent reassignment;
  - (17) violation of any provincial, territorial, federal, state or local civil rights laws;
  - (18) negligent hiring;
  - (19) negligent supervision;
  - (20) negligent training;
  - (21) negligent retention; or
  - (22) acts described in (1) through (21) above, arising from the use of the **Organization** or **Subsidiary's** internet, e-mail, telecommunication or similar systems, including the failure to provide and enforce adequate policies and procedures relating to such use of the **Organization** or **Subsidiary's** internet, e-mail, telecommunication or similar systems.
- G. "**Loss**" shall mean settlements and judgments, including punitive or exemplary damages or the multiple portion of any multiplied damage award, and subject to the provisions of Section V. and Section VI., **Costs of Defence** incurred by the **Insured**, provided always, however, **Loss** shall not include taxes, criminal or civil fines or penalties imposed by law, except as provided pursuant to Section IX.H., or any matter which may be deemed uninsurable under the law pursuant to which this Policy shall be construed. It is understood and agreed that the enforceability of the foregoing coverage shall be governed by such applicable law which most favors coverage for punitive or exemplary damages or the multiple

## DIRECTORS & OFFICERS LIABILITY

portion of any multiplied damage award.

Notwithstanding the foregoing, it is further understood and agreed that **Loss** shall also include:

- (1) taxes and related penalties and interest assessed against a director based upon, arising out of or attributable to the failure to deduct, withhold or remit tax from a payment of salary or wages of an employee pursuant to the Income Tax Act R.S.C. 1985 (5<sup>th</sup> Supp.), the Employment Insurance Act, S.C. 1996, c. 23, and the Canada Pension Plan, R.S.C. c. C-8, the regulations promulgated thereunder and amendments thereto or any similar provisions of any provincial law;
  - (2) any amount constituting wages pursuant to the Canada Business Corporations Act R.S.C. 1985, c. C-44, s.119 and the Business Corporations Act, R.S.O. 1990, c.B.16, s.131, the regulations promulgated thereunder and the amendments thereto or any similar provisions of any other provincial law; or
  - (3) unpaid tax liabilities of the **Insured** arising from the laws of Canada, the laws of any province of Canada, or any municipality therein, which the **Insured** is unable to pay due to Financial Insolvency and which the directors of the **Organization** or any **Subsidiary** become legally obligated to pay.
- H. "**Costs of Defence**" shall mean any and all reasonable legal fees and expenses incurred in defence of any **Claim** and appeals therefrom, and cost of attachment or similar bonds (but without any obligation on the part of the **Insurer** to apply for or furnish such bonds); provided, however, **Costs of Defence** shall not include: salaries, wages, overhead or benefit expenses associated with any **Insured**.
- I. "**Policy Year**" shall mean the period of one year following the effective date and hour of this Policy or the period of one year following any anniversary date thereof falling within the **Policy Period**; or if the time between the effective date or any anniversary date and the termination of this Policy is less than one year, such lesser period. Any **Discovery Period** shall be considered part of and not in addition to the last **Policy Year**.
- J. "**Policy Period**" shall mean the period from the inception of this Policy to the Policy expiration date stated in the Certificate of Insurance issued by BFL Canada or its earlier termination, if any.
- K. "**Claim**" shall mean: (1) any proceeding initiated against an **Insured**, including any appeals therefrom, before (a) any governmental body which is legally authorized to render an enforceable judgment or order for money damages or other relief against such **Insured**, or (b) any provincial or federal human rights commission or tribunal, the Equal Employment Opportunity Commission, or any similar governmental body whose purpose is to address employment practices; or (2) any written demand seeking monetary or non-monetary relief or injunctive relief for a **Wrongful Act**.
- L. "**Related Wrongful Acts**" shall mean **Wrongful Acts** which are causally connected by reason of any common fact, circumstance, situation, transaction, casualty, event or decision.
- M. "**Construction Defect(s)**" shall mean any actual or alleged defective, faulty or delayed construction or any other matter constituting a construction defect under applicable law regardless of whether it results from:
  - (1) defective or incorrect architectural plans or other designs;
  - (2) defective or improper soil testing;
  - (3) defective, inadequate or insufficient protection from subsoil or earth movement or subsidence;
  - (4) construction, manufacture or assembly of any tangible property;
  - (5) the failure to provide or pay for any construction-related goods or services; or
  - (6) the supervision or management of any construction-related activities.
- N. "**Property Manager**" shall mean any entity providing real estate property management services to the **Organization** or any **Subsidiary** pursuant to a written contract.
- O. "**Fungi**" shall mean any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents, or byproducts produced or released by fungi.
- P. "**Financial Insolvency**" shall mean the **Organization** or any **Subsidiary**

becoming a Debtor in Possession, or the appointment of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage or liquidate the **Organization** or any **Subsidiary**.

Q. "**Retention**" shall mean the amount referenced as a "Deductible" in the Certificate of Insurance issued by BFL Canada.

R. "**Claimant**" shall mean: (1) any past, present and future **Insured Persons** or applicants for employment with the **Organization** or any **Subsidiary**; (2) any provincial or federal human rights commission or tribunal, the Equal Employment Opportunity Commission, or any similar governmental body when acting on behalf of an individual as described in (1) above; or (3) all persons who were, now or shall be independent contractors, but only to extent such individuals perform work or services for or on behalf of the **Organization** or any **Subsidiary**.

It is further understood and agreed that **Claimant** shall not include any employee of any **Property Manager**.

### Section IV. Exclusions

This Policy does not apply to any **Claim** made against any **Insured**:

- A. brought about or contributed to by: (1) any **Insured** gaining any profit, advantage or remuneration to which the **Insured** was not legally entitled; or (2) the deliberate fraudulent, dishonest or criminal acts of any **Insured**; however, this exclusion shall only apply if it is finally adjudicated that such conduct in fact occurred. The **Wrongful Act** of an **Insured Person** shall not be imputed to any other **Insured Person** for the purpose of determining the applicability of this exclusion;
- B. based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving:
  - (1) any **Wrongful Act** or any fact, circumstance or situation which is the subject of any notice given by any **Insured** during the policy period or any extension thereof of any prior policy providing coverage similar to that provided herein, or which has been the subject of any **Claim** made prior to the effective date of this Policy; or
  - (2) any prior and/or pending civil, criminal, administrative or investigative proceeding initiated against any **Insured** as of the inception date of the earliest of the first Canadian Condominium Management Liability Solution Policy or any similar type of coverage provided by the **Insurer**.
- C. based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or any way involving: (1) bodily injury, sickness, disease or death of any person, assault, or battery; or (2) damage to or destruction of any tangible property or the loss of use of any tangible property; or (3) mental anguish, emotional distress, invasion of privacy, wrongful entry, eviction, false arrest, false imprisonment, malicious prosecution, libel or slander; provided, however, that part (3) of this exclusion shall not apply to any **Claim** brought by or on behalf of any past, present or prospective **Insured Person** for an **Employment Practices Wrongful Act**;
- D. for any actual or alleged violation of the Pension Benefit Standards Act, R.S.C. 1985, c32 (2<sup>nd</sup> Supp.), the Ontario Pension Benefits Act, R.S.O. 1990, c.P.8 and any equivalent provincial legislation (or any regulations promulgated thereunder), except as provided pursuant to Section IX.E, of the Occupational Health and Safety Act, R.S.O. 1990, c.O.1 (or any regulations promulgated thereunder), all as amended, the Employment Retirement Income Security Act of 1974 (or any regulations promulgated thereunder) or similar provisions of any statutory or common law;
- E. for any **Wrongful Act** of any **Insured Persons** in their respective capacity as a director, officer, trustee, employee or equivalent position of an entity other than the **Organization** or a **Subsidiary**, even if directed or requested to serve such other entity, except where this Policy has been specifically endorsed to provide such extension of coverage;
- F. 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, contamination or irritant of any kind, including but not limited to smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, acids, alkalis, asbestos, chemicals or waste of any kind, except this exclusion shall not apply to **Insured Persons**;

## DIRECTORS & OFFICERS LIABILITY

- G. by, or for the benefit of, or at the behest of the **Organization** or any **Subsidiary** or any entity which controls, is controlled by, or is under common control with the **Organization** or any **Subsidiary**, or any person or entity which succeeds to the interests of the **Organization** or any **Subsidiary**, provided, however, this exclusion shall not apply to any **Claim** brought by the receiver, conservator, liquidator, trustee, rehabilitator, examiner or similar official of the **Organization**, if any, in the event of **Financial Insolvency**;
- H. for any actual or alleged liability of any **Insured** under any contract or agreement, express or implied, written or oral, except if such liability would have attached absent such contract or agreement;
- I. other than **Costs of Defence**, for any obligation of the **Organization** or a **Subsidiary** as a result of a **Claim** seeking relief or redress in any form other than money damages, including but not limited to any obligation of the **Organization** or **Subsidiary**, to modify any building or property in order to affect compliance with municipal, state or federal law;
- J. other than **Costs of Defence**, for the failure to afford an employee with reasonable notice of termination, except this exclusion shall not apply to that portion of **Loss** that is increased by reason of an **Insured** engaging in an **Employment Practices Wrongful Act**;
- K. based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving:
- (1) actual, alleged or threatened:
    - (a) inhalation of, ingestion of, contact with, or exposure to any **Fungi** or bacteria; or
    - (b) existence of or presence of any **Fungi** or bacteria on or within a building or structure including its contents, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to any injury or damage;
  - (2) any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to, or assessing the effects of **Fungi** or bacteria by any **Insured** or by any other person or entity. **Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents, or byproducts produced or released by fungi;
  - (3) any actual or alleged **Construction Defects**;
- L. based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged liability of an **Insured**, in whole or in part, in the capacity as a builder or developer, or in the capacity of a sponsor of the **Organization** or any **Subsidiary**, or of an **Insured** affiliated with such a builder, developer or sponsor, including but not limited to actual or alleged conflict of interest, self-dealing, or disputes concerning conversion, construction or development.; and/or
- M. based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving any **Wrongful Act** or any circumstances known by any **Insured Person** prior to the Initial Coverage Date of either the first Canadian Condominium Management Liability Solution Policy or any similar type of coverage first provided by the **Insurer** which would indicate the probability of such **Claim** being made.
- It is further understood and agreed that this exclusion shall apply only to the **Organization**, its **Subsidiaries** and those **Insured Persons** having such knowledge.

### Section V. Limit of Liability

- A. The **Insurer** shall be liable to pay one hundred percent (100%) of **Loss** in excess of the Retention stated in Section IV.-Condominium Directors & Officers Liability of the Certificate of Insurance issued by BFL Canada. The **Insurer's** maximum Limit of Liability for the aggregate amount of **Loss** resulting from all **Claims** deemed to have been made in a **Policy Year** shall be the amount stated in Section IV.-Condominium Directors & Officers Liability of the Certificate of Insurance issued by BFL Canada.
- B. More than one **Claim** involving the same **Wrongful Act** or **Related Wrongful Acts** of one or more **Insureds** shall be considered a single **Claim**, and only one Retention shall be applicable to such single **Claim**. All such **Claims**, constituting a single **Claim** shall be deemed to have

been made on the earlier of the following dates: (1) the earliest date on which any such **Claim** was first made; or (2) the earliest date on which any such **Wrongful Act** or **Related Wrongful Act** was reported under this Policy or any other policy providing similar coverage.

- C. **Costs of Defence** incurred by the **Insurer** shall be in addition to the Limit of Liability, and such **Costs of Defence** shall not be subject to the Retention amount. If **Costs of Defence** are incurred by the **Insured** with the **Insurer's** consent, such **Costs of Defence** shall be considered **Loss** and thus shall be subject to the Limit of Liability and Retention.
- D. With respect to all **Claims** deemed to have been made in a **Policy Year**, should the Limit of Liability be exhausted by payment of **Loss** resulting from one or more of such **Claims**, the **Insurer's** duty to defend shall cease and any and all obligations of the **Insurer** hereunder shall be deemed to be completely fulfilled and extinguished and the **Insurer** shall have no further obligations hereunder of any kind or nature.

### Section VI. Costs of Defence and Settlements

- A. No **Insured** shall admit liability, offer to settle, or incur **Costs of Defence** in connection with any **Claim** without the **Insurer's** prior 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 **Costs of Defence** incurred and/or settlements agreed to prior to the **Insurer's** consent thereto shall not be covered hereunder.
- B. 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 thereto, the **Insurer's** liability for such **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, the **Costs of Defence** covered by the Policy and incurred prior to the date of such refusal to settle, and fifty percent (50%) of any additional covered **Loss**, including **Costs of Defence**, incurred subsequent to such refusal and subject to the Limit of Liability. In the event the **Insured** refuses to consent to a settlement as contemplated above, **Costs of Defence** shall be subject to the Retention.

### Section VII. Notice of Claim

- A. The **Insureds** shall, as a condition precedent of their rights under this Policy, give the **Insurer** notice in writing of any **Claim** made, as soon as practicable from the date the Chairman, President, Executive Director, Chief Financial Officer, General Counsel or equivalent has knowledge of the **Claim**, and in no event later than ninety (90) days after the end of the **Policy Period**.
- B. If during the **Policy Period** or **Discovery Period** the **Insured** first becomes aware of a specific **Wrongful Act**, and if the **Insured** gives written notice to the **Insurer** as soon as practicable of (1) the specific **Wrongful Act**; (2) the injury or damage which has or may result therefrom; and (3) the circumstances by which the **Insured** first became aware thereof; then any **Claim** arising out of such **Wrongful Act** which is subsequently made against the **Insured** and not otherwise excluded by the terms of the Policy shall be deemed to have been made at the time the **Insurer** received such written notice from the **Insured**.
- C. In addition to furnishing the notice as provided in Sections VII.A. or VII.B. the **Insured** shall, as soon as practicable, furnish the **Insurer** with copies of reports, investigations, pleadings and other papers in connection therewith.
- D. Notice to the **Insurer** as provided in Sections VII.A. and VII.B. shall be given to:

[ELDCclaims@GAIG.com](mailto:ELDCclaims@GAIG.com) or  
GREAT AMERICAN INSURANCE GROUP  
ELD CANADA, CLAIMS DEPARTMENT  
1450 American Lane, 8<sup>th</sup> Floor  
Schaumburg, IL 60173.



## DIRECTORS & OFFICERS LIABILITY

### Section VIII. General Conditions

- A. Cancellation or Non-Renewal**
- (1) This Policy may be cancelled by the **Organization** at any time by written notice to the **Insurer**. Upon cancellation, the **Insurer** shall retain the customary short rate portion of the premium.
  - (2) This Policy may be cancelled by the **Insurer** only if the **Organization** does not pay the premium when due.
  - (3) If the **Insurer** elects not to renew this Policy, the **Insurer** shall provide the **Organization** with not less than ninety (90) days advance notice thereof.
- B. Proposal Form**
- It is agreed that the particulars and statements contained in Proposal Forms submitted to the **Insurer** (and any material submitted therewith) are the representations of the **Insured**, and it is understood that such representations are material and that this Policy is issued in reliance upon such representations, which are to be considered as incorporated in and constituting part of this Policy. However, this Policy shall not be voided or rescinded and coverage shall not be excluded as a result of any untrue statement in the Proposal Form, except as to the **Organization**, its **Subsidiaries** and those **Insured Persons** making such statement or having knowledge of its untruth.
- C. Action Against the Insurer**
- (1) No action shall be taken against the **Insurer** unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, and until the **Insured's** obligation to pay shall have been finally determined by an adjudication against the **Insured** or by written agreement of the **Insured**, claimant and the **Insurer**.
  - (2) No person or organization shall have any right under this Policy to join the **Insurer** as a party to any **Claim** against any **Insured** nor shall the **Insurer** be impleaded or made a third party by any **Insured** or their legal representative in any such **Claim**.
- D. Conversion to Run-Off Coverage**
- If prior to the end of the **Policy Period**, another organization acquires substantially all of the assets of the **Organization**, or the **Organization** merges into another organization, or the **Organization** ceases to qualify as a not-for-profit organization under any federal, provincial and territorial legislation and/or the Internal Revenue Code (such events hereinafter referred to as **Transaction**), then:
- (1) the **Organization** must give written notice of such **Transaction** to the **Insurer** within thirty (30) days after the effective date of such **Transaction**, and provide the **Insurer** with such information as the **Insurer** may deem necessary; and
  - (2) this Policy, including the **Discovery Period** if elected, shall apply, but only with respect to any **Wrongful Act** committed prior to the effective date of such **Transaction**.
- E. Subrogation**
- In the event of any payment under this Policy, the **Insurer** shall be subrogated to all of the rights to recovery of the **Insured** and the **Insured** shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the **Insurer** to effectively bring suit in the name of any **Insured**.
- F. Assignment**
- Assignment of interest under this Policy shall not bind the **Insurer** until its consent is endorsed hereon.
- G. Conformity to Law**
- Any terms of this Policy which are in conflict with the terms of any applicable laws are hereby amended to conform to such laws.
- H. Entire Agreement**
- By acceptance of this Policy, the **Insured** and the **Insurer** agree that this

Policy (including the Proposal Forms submitted to the **Insurer** and any materials submitted therewith) and any written endorsements attached hereto constitute the entire agreement between the parties.

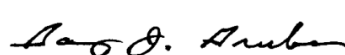
- I. Organization Represents Insured**
- By acceptance of this Policy, the **Organization** shall be designated to act on behalf of the **Insureds** for all purposes including, but not limited to, giving and receiving of all notices and correspondence, the cancellation or non-renewal of this Policy, the payment of premiums, and the receipt of any return premiums that may be due under this Policy.
- J. Representative of the Insurer**
- Great American Insurance Group, ELD CANADA, 1450 American Lane, 8<sup>th</sup> Floor, Schaumburg, IL, 60173** shall act on behalf of the **Insurer** for all purposes including, but not limited to, the giving and receiving of all notices and correspondence.
- K. VALUATION and Currency**
- All amounts referenced 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 rate of exchange published in the The Globe and Mail on the date the element of **Loss** becomes due and payable by the **Insurer**.
- L. Other Insurance**
- This Policy shall apply only as excess over, and shall not contribute with, any other valid and collectible insurance available to any **Insured**, unless such insurance is written specifically excess of this Policy by reference in such other policy to this Policy. This Policy will not be subject to the terms of any other insurance.

### Section IX. Coverage Extensions

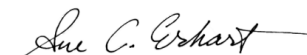
- A. Spousal Provision**
- The coverage provided by this Policy shall also apply to the lawful spouse or common law partner of an **Insured Person**, but only for **Claims** arising out of any actual or alleged **Wrongful Acts** of an **Insured Person** and seeking to recover damages from marital community property, property jointly held by such lawful spouse or common law partner and an **Insured Person** or property transferred from an **Insured Person** to such lawful spouse or common law partner.
- B. Worldwide Provision**
- The coverage provided under this Policy shall apply worldwide except in those jurisdictions where prohibited by law. The term **Directors** and **Officers** is deemed to include individuals who serve in equivalent positions in foreign **Subsidiaries**.
- C. Estates and Legal Representatives**
- The coverage provided by this Policy shall also apply to the estates, heirs, legal representatives or assigns of any **Insured Persons** in the event of their death, incapacity or bankruptcy, but only for **Claims** arising out of any actual or alleged **Wrongful Acts** of any **Insured Persons**.

In witness whereof the **Insurer** has caused this Policy to be signed by its President and Secretary and countersigned, if required, on the Declarations page by a duly authorized agent of the **Insurer**.

### GREAT AMERICAN INSURANCE GROUP



President



Secretary

## DIRECTORS & OFFICERS LIABILITY

### ENDORSEMENTS TO POLICY D51100C (11/15)

#### DATA SECURITY WRONGFUL ACTS AND PRIVACY WRONGFUL ACTS COVERAGE ENDORSEMENT FORM # D51740 (12-15)

Except as otherwise noted herein, it is understood and agreed that the following changes are made to the Policy solely with respect to the Third Party Coverage and First Party Coverage extended pursuant to this endorsement:

#### THIRD PARTY COVERAGE

Section I. is deleted and replaced with the following:

##### **Section I. Insuring Agreement**

If during the **Policy Period** or the **Discovery Period** any **Claim**, including a **Regulatory Action**, is first made against an **Insured** for a **Data Security Wrongful Act** or a **Privacy Wrongful Act**, the **Insurer** shall pay on behalf of such **Insured**, **Loss** resulting from such **Claim**. The **Insurer** has the right and duty to defend any **Claim** to which this insurance applies, even if the allegations of such **Claim** are groundless, false or fraudulent.

#### FIRST PARTY COVERAGE FOR ORGANIZATIONS AND ANY SUBSIDIARY

Section VIII. is amended by the addition of the following:

##### **Privacy Event Expenses Provision**

The **Insurer** shall pay on behalf of the **Organization** or any **Subsidiary** all **Privacy Event Expenses** in excess of the applicable **Retention** and up to the applicable Sublimit of Liability stated below that the **Organization** or any **Subsidiary** incurs at the direction of the **Incident Response Expert** as a direct result of a **Data Breach** provided:

- (1) such **Data Breach** is first discovered during the **Policy Period**;
- (2) prior to the inception date of the first policy issued by the **Insurer** to the **Organization** and continuously renewed, no **Insured** had a basis to believe that any such **Data Breach** might reasonably be expected;
- (3) the **Insured** reports such **Data Breach** in accordance with the Reporting Obligations for a **Data Breach** section below; and
- (4) the **Insured** obtains the **Insurer's** advance written consent to incur such **Privacy Event Expenses**.

#### AMENDMENT TO DEFINITIONS

1. Section III.E. is amended by the addition of the following:  
**Wrongful Act** shall also mean a **Data Security Wrongful Act** and a **Privacy Wrongful Act**.
2. Section III.G. is amended by the addition of the following:  
**Loss** shall also mean **Privacy Regulatory Fines** and **Penalties**, **Privacy Event Expenses** and **Regulatory Restitution Funds**.
3. Section III.K. is amended by the addition of the following:  
**Claim** shall also mean a **Regulatory Action**.
4. Section III. is amended by the addition of the following:  
**Computer Systems** shall mean any computer or network of computers, owned, leased or operated by or on behalf of the **Organization** or any **Subsidiary** in connection with the ordinary business activities of the **Organization** or any **Subsidiary**, including and computer or network of computers owned, leased or operated by a cloud provider or others, used by the **Organization** or any **Subsidiary** for the storage or processing of **Data Asset**. **Computer Systems** also means any mobile device or internet-enabled or networked telephone, printer, copier or device owned or leased by the **Organization** or any **Subsidiary** in connection with the ordinary business activities of the **Organization** or any **Subsidiary**.

**"Data Asset"** shall mean software and electronic data, including but not limited to databases, audio files, video files or other image files,

maintained by or on behalf of the **Organization** or any **Subsidiary** in connection with the business operations of the **Organization** or any **Subsidiary**.

**"Data Breach"** shall mean the unauthorized access to, loss of control over or disclosure of **Protected Information** maintained by the **Organization** or any **Subsidiary** or by those acting on behalf of the **Organization** or any **Subsidiary**.

**"Data Security Wrongful Act"** shall mean an actual or alleged negligent act, error or omission by or on behalf of the **Insured** in the performance of business of the **Organization** or any **Subsidiary** that causes or fails to prevent:

- (1) the theft of, or unauthorized access to, or disclosure or use of, any **Data Asset** of a client or customer of the **Organization** or any **Subsidiary** stored on the **Computer Systems**;
- (2) unauthorized access to or use of the **Computer Systems** that results in the alteration, corruption, destruction, deletion or damage to any **Data Asset** of a client or customer of the **Organization** or any **Subsidiary** stored on the **Computer Systems**;
- (3) the transmission of any virus, worm, trojan horse, backdoor or similar malicious software program or code from the **Computer Systems** to a third party's computer systems;
- (4) unauthorized access to or use of the **Computer Systems** that results in damage or disruption to computer systems of any third party or any **Data Asset** on such third party computer systems, including through a denial-of-service attack or similar action by an unauthorized person; or
- (5) a denial-of-service attack or similar action by any unauthorized person that makes **Computer Systems** unavailable to authorized clients or customers of the **Organization** or any **Subsidiary**.

**"Incident Response Expert"** shall mean the firm retained by the **Insurer** in connection with a **Data Breach**.

**"Privacy Event Expenses"** shall mean the reasonable and necessary:

- (1) legal and forensic fees and costs to investigate the cause of the **Data Breach**, identify persons affected or potentially affected and determine the extent that any law, regulation, statute or contract requires notification of the **Data Breach**;
- (2) costs of notification of the **Data Breach**, if required by law, regulation, statute or contract or voluntarily incurred with the **Insurer's** prior written consent;
- (3) costs to monitor, freeze or thaw credit or provide credit restoration services for persons affected by the **Data Breach**; and
- (4) image consulting costs to minimize damage to reputation of **Organization** or any **Subsidiary**.

**"Privacy Wrongful Act"** shall mean an actual or alleged negligent act, error or omission by or on behalf of the **Insured** in the performance of the business of the **Organization** or any **Subsidiary**, or arising from, in connection with, or by reason of any **Insured Person's** involvement with or employment by the **Organization** or any **Subsidiary**, that causes or fails to prevent:

- (1) the theft of, or unauthorized access to, or disclosure or use of, **Protected Information** that:
  - (a) results in identity theft or other misuse of such **Protected Information**; or
  - (b) violates any provincial, territorial, federal, state, local or foreign laws or regulation, or any published policy of the **Organization** or any **Subsidiary**, regarding the maintenance, protection, use or disclosure of **Protected Information**;

## DIRECTORS & OFFICERS LIABILITY

- (2) violation of any federal, state, provincial, territorial, local or foreign law or regulation, or any published policy of the **Organization** or any **Subsidiary**, relating to **Protected Information** that:
  - (a) prohibits or restricts the collection, sharing or selling of **Protected Information** by the **Organization** or any **Subsidiary**; or
  - (b) requires the Organization or any **Subsidiary** to provide access to **Protected Information** or correct upon request incomplete or inaccurate **Protected Information**; or
- (3) Any fraudulent website or electronic communication, including a phishing email, from impersonating the **Organization** or any **Subsidiary** and causing financial loss to any customer or client of the **Organization** or any **Subsidiary**.

“**Privacy Regulatory Fines and Penalties**” shall mean the sums the **Organization** or any **Subsidiary** is required to pay as part of the settlement or judgment of a covered **Regulatory Action**.

“**Protected Information**” shall mean

1. any non-public personally identifiable information, including financial, medical or health care information, held or maintained by or on behalf of the **Organization** or any **Subsidiary** in connection with the business operations of the **Organization** or any **Subsidiary**, whether in electronic form or otherwise, which is protected from unauthorized access or disclosure by any provincial, territorial, federal, state, local or foreign law or regulation, including, but not limited to The Personal Information Protection and Electronic Documents Act (PIPEDA) and its provincial equivalents, any provincial Privacy Act, Personal Health Information Act or similar statutes, the Canadian Anti-Spam Law (CASL), Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, the Federal Trade Commission (FTC) Red Flags Rule, Gramm-Leach-Bliley, and the European Union (EU) Data Protection Act, or by any publicly stated policy of the **Organization** or any **Subsidiary**; and
2. any confidential, non-public business information of a third party that is in the care or custody of the **Organization** or any **Subsidiary** pursuant to the confidentiality agreement between the **Organization** or any **Subsidiary** and such third party.

but does not include any personally identifiable information created or stored by any **Insured Person** on any **Computer Systems** for his or her personal or domestic purposes and not for any other purpose.

“**Regulatory Action**” shall mean a written request for information, civil investigation or administrative proceeding or civil proceeding brought by any provincial or territorial privacy commissioner in Canada and/or any local, state, federal or regulatory agency in the United States of America for any **Data Security Wrongful Act** or **Privacy Wrongful Act** in connection with a **Data Breach**. However, **Regulatory Action** shall not include any written request, investigation, or proceeding of any kind brought by or on behalf of any provincial or territorial Securities Commission, the Securities and Exchange Commission, or their functional equivalent in any foreign jurisdiction, or by the Canadian Radio-television and Telecommunications Commission pursuant to the Canadian Anti Span Law.

“**Regulatory Restitution Fund**” shall mean any sums deposited into a fund and used to provide compensation to individuals affected by a **Privacy Wrongful Act** as part of the settlement or judgment of a **Regulatory Action**.

### AMENDMENT TO EXCLUSIONS

1. Solely with respect to the First party Coverage and Third Party Coverage extended by this endorsement, Section IV.C. is amended by the addition of the following:

Subsection (30 of this exclusion shall also not apply to any **Claim** made against any **Insured** for a **Data Security Wrongful Act** or a **Privacy Wrongful Act**;

2. Solely with respect to the First Party Coverage and Third Party Coverage extended by this endorsement, Section IV.H. is deleted and replaced with the following:

H. for any breach of any express or implied contract, agreement, warranty or guarantee, including, but not limited to, any express or implied contract or agreement to pay royalties or to account for same; provided, however, this exclusion shall not apply to:

- (1) any liability that an **Insured** would have incurred in the absence of such contract, agreement, warranty or guarantee; or
- (2) a **Privacy Wrongful Act** when the actual or alleged breach of contract or agreement is to secure or maintain **Protected Information**;

3. Solely with respect to the First Party Coverage and the Third Party Coverage extended by this endorsement, the Insurer shall not may pay payment in connection with costs to:

- (1) restore, replace or re-collect a Data Asset or to update or improve a Data Asset to a level beyond that which existed prior to any Data Security Wrongful Act; or
- (2) correct or remediate software program errors, vulnerabilities, or deficiencies or problems with any **Computer System**; and

Under no circumstances shall the Insurer be liable for: any amounts incurred by any **Insured** prior to the date a **Claim** is reported to the Insurer pursuant to Section VII. Or a **Data Breach** is reported pursuant to the Reporting Obligations set below; any overhead expenses of the **Organization** or any **Subsidiary**, including but not limited to compensation or benefits; or the economic or market value of any Data Asset.

### AMENDMENT TO EXCLUSIONS APPLICABLE TO COVERAGE EXTENDED FOR ALL CLAIMS PURSUANT TO THE POLICY AND THIS ENDORSEMENT

Section IV. is amended by the addition of the following:

The **Insurer** shall not be liable for any payment of (1) **Loss** for any **Claim** made against any **Insured** or (2) for any **Privacy Event Expenses** that is/are based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged:

- (1) mechanical or electrical failure or outage; routine wear and tear; or a disruption or failure of any infrastructure service or utility supplied by a third-party, including but not limited to power, water, gas, communications or connectivity; provided, however, this exclusion shall not apply to a **Claim** for a **Privacy Wrongful Act**;
- (2) fire, smoke, explosion, lightning, wind, flood, earthquake, volcanic eruption, tidal wave, landslide, hail or act of God or any other physical event, however caused;
- (3) price-fixing, restraint of trade or monopolization;
- (4) violation of any federal, provincial, territorial, state, local or foreign statute or regulation prohibiting or restricting unsolicited communications, regardless of whether such communication was transmitted via facsimile, email, text, telephone or otherwise, including but not limited to the Controlling the Assault of Non-

## DIRECTORS & OFFICERS LIABILITY

Solicited Pornography and Marketing (CAN-SPAM) Act of 2003, the Canadian Anti-Spam Law (CASL) and the Telephone Consumer Protection Act (TCPA);

- (5) misappropriation, infringement or theft, or inducement of misappropriation, infringement or theft of trade secrets;
- (6) war including undeclared or civil war, or seizure, confiscation, expropriation, nationalization, or destruction of a **Computer System** by order of any governmental authority; or
- (7) potential violation of any provincial, territorial, federal, state, foreign or local law or regulation and investigated or pursued by a provincial, territorial, federal, state, foreign or local regulatory agency or other governmental body provided, however, this exclusion shall not apply to a **Regulatory Action**;
- (8) act, error, omission or circumstance, which was known by the President, Executive Director, Chairman of the Board, Chief Information Officer, Chief Technology Officer, Chief Security Officer, Risk Manager, General Counsel (or the functional equivalent of any of the foregoing) prior to the inception date of the first policy issued by the **Insurer** to the **Organization** and continuously renewed and which could have been reasonably foreseen to be the basis for a **Claim** or **Data Breach**, including, but not limited to, knowledge of security weaknesses, or vulnerabilities in software, hardware or firmware.

### AMENDMENT TO OTHER INSURANCE

Section VIII.L. is amended by the addition of the following:

Coverage for all **Data Breaches** and **Claims** for **Personal Injury Wrongful Acts**, **Data Security Wrongful Acts** and/or **Privacy Wrongful Acts** shall be specifically excess of any similar coverage provided pursuant to terms and conditions of any general liability policy, business owner policy or cyber liability policy issued to the **Organization** or any **Subsidiary**.

### AMENDMENTS TO LIMITS OF LIABILITY AND RETENTIONS

Section IV – Condominium Directors & Officers Liability of the Certificate of Insurance issued by BFL Canada is amended by the addition of the following:

\$ \_\_\_\_\_ Sublimit of Liability for all **Privacy Event Expenses** from all **Data Breaches**. This Sublimit is part of and not in addition to the Aggregate Limit of Liability for all **Loss** Each **Policy Year**.

\$ \_\_\_\_\_ Sublimit of Liability for all **Loss** from all **Claims** for **Privacy Wrongful Acts**, including **Regulatory Actions**, and all **Claims** for **Data Security Wrongful Acts**. This sublimit is part of and not in addition to the Aggregate Limit of Liability for all **Loss** Each **Policy Year**.

The Deductible section for Section IV – Condominium Directors & Officers Liability of the Certificate of Insurance issued by BFL Canada is amended by the addition of the following:

\$ 0 Each **Claim** for **Data Security Wrongful Acts** or **Privacy Wrongful Acts** made against **Insured Persons**

\$ 0 Each **Claim** for **Data Security Wrongful Acts** or **Privacy Wrongful Acts** made against the **Organization** or any **Subsidiary**

\$ \_\_\_\_\_ For **Privacy Event Expenses** for each **Data Breach**

The “Each **Claim** for a **Data Security Wrongful Act** or a **Privacy Wrongful Act** made against the **Organization** or any **Subsidiary**” deductible stated above is the **Organization's** obligation for each **Claim**, including any **Regulatory Action**. If a **Claim** and **Privacy Event Expenses** arise out of the same **Privacy Wrongful Act**, any amounts

paid by the **Organization** in satisfaction of the “For **Privacy Event Expenses** for each **Data Breach**” deductible will also erode the “Each **Claim** for a **Data Security Wrongful Act** or a **Privacy Wrongful Act** made against the **Organization** or any **Subsidiary**” deductible with respect to such **Claim**.

The “For **Privacy Event Expenses**” deductible stated above is the **Organization's** obligation for all **Privacy Event Expenses** from each **Data Breach**.

4. Section V.C. is deleted and replaced with the following:

C. **Costs of Defence** incurred by either the **Insurer** or **Insured** shall be subject to the applicable **Retention** and the Sublimit of Liability for all **Claims**, including **Regulatory Actions**, for **Data Security Wrongful Acts** or a **Privacy Wrongful Act**.

### REPORTING OBLIGATIONS FOR A DATA BREACH

After a **Data Breach** is first discovered by an **Insured**, the **Insured** shall, as a condition precedent to coverage pursuant to this endorsement:

- (a) notify the **Insurer** of the **Data Breach** as soon as practicable but in no event later than seventy-two (72) hours after the **Data Breach** is first discovered;
- (b) take reasonable measures to stop or mitigate the damage caused by such **Data Breach**;
- (c) give the **Insurer**, upon request, a detailed proof of the damage caused by such **Data Breach**;
- (d) submit, upon request of the **Insurer**, to examination under oath and give the **Insurer** a signed statement of the **Insured's** answers; and
- (e) cooperate with the **Insurer** in the investigation and settlement of any payments as a result of the **Data Breach**.

For the purposes of coverage extended by this endorsement, a **Data Breach** is “first discovered” when any **Insured** first becomes aware of facts that would cause a reasonable person to assume a **Privacy Wrongful Act** has occurred even though the exact amount or details of loss may not then be known.

Notice of the **Data Breach**, as required in (a) above, shall be given to the **Insurer** at the Incident Response Expert at (855) 424-4872.

## DIRECTORS & OFFICERS LIABILITY

### GENERAL LIMITATION OF COVERAGE ENDORSEMENT

It is understood and agreed that this policy does not apply to any **Claim** made against any **Insured** based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving:

Any **Wrongful Act** or any circumstances known by any **Insured Person** prior to the Initial Coverage Date of this first Canadian Condominium Management Liability Solution policy or any similar type of coverage first provided by Great American Insurance Company issued to the **Insured** by Great American Insurance Company which would indicate the probability of such **Claim** being made.

It is further understood and agreed that this exclusion shall apply only to the **Organization**, its **Subsidiaries** and those **Insured Persons** having such knowledge.

Other than as stated above, nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.

### FORMER COUNCIL MEMBER COVERAGE

It is understood and agreed that the following changes are made to the Policy:

(1) Section IV.G. is deleted and replaced with the following:

by, or for the benefit or at the behest of the **Organization** or a **Subsidiary** or any entity which controls, is controlled by, or is under common control with the **Organization** or a **Subsidiary**, or any person or entity which succeeds to the interest of the **Organization** or a **Subsidiary**; provided, however, this exclusion shall not apply to any **Claim** made by the **Organization** or a **Subsidiary** against a former council member of the **Organization** or a **Subsidiary** if, at the time the **Claim** is first made:

- a) the former council member is not and never was a director, trustee, officer, employee, board member, volunteer or staff member of any current or prior **Property Manager**;
- b) the former council member is not and never was a director, trustee, officer, employee, board member, volunteer or staff member of any current or prior sponsor, builder or developer of the **Organization** or a **Subsidiary**; and
- c) the former council member is not current acting as a director, trustee or officer of the **Organization** or a **Subsidiary**.

Nothing herein shall be held to vary, waive or extend any of the terms, conditions, provisions, agreements or limitations of the above mentioned policy other than as above stated.

## DIRECTORS & OFFICERS LIABILITY

### ECONOMIC AND TRADE SANCTIONS CLAUSE

This insurance does not apply to extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

Insured:

Policy Number:

Policy Period

Endorsement Effective Date:

Countersigned by:                     G.M.J. Hall                      
Authorized Representative

IL 73 24 (Ed. 08/12)

## DIRECTORS & OFFICERS LIABILITY

### STATUTORY CONDITIONS

#### BRITISH COLUMBIA

In the event of a conflict between these Statutory Conditions and the terms set out in the body of the Policy, the term (s) more favourable to the **Insured** shall prevail.

#### 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

#### CHANGE OF INTEREST

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

#### MATERIAL CHANGE IN RISK

- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
  - (a) terminate the contract in accordance with Statutory Condition 5, or
  - (b) 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.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3)(b) of this condition, the contract is terminated at that time and Statutory Condition 5(2)(a) applies in respect of the unearned portion of the premium.

### TERMINATION OF INSURANCE

- (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
- (2) 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.
- (3) 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.
- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

### NOTICE

- (1) 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.
- (2) 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.

Other than as stated above, nothing herein shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.

## DIRECTORS & OFFICERS LIABILITY

### STATUTORY CONDITIONS

#### ALBERTA

In the event of a conflict between these Statutory Conditions and the terms set out in the body of the Policy, the term (s) more favourable to the **Insured** shall prevail.

#### 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

#### CHANGE OF INTEREST

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

#### MATERIAL CHANGE IN RISK

- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
  - (a) terminate the contract in accordance with Statutory Condition 5, or
  - (b) 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.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3)(b) of this condition, the contract is terminated at that time and Statutory Condition 5(2)(a) applies in respect of the unearned portion of the premium.

### TERMINATION OF INSURANCE

- (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
- (2) 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.
- (3) 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.
- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

### NOTICE

- (1) 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.
- (2) 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.

Other than as stated above, nothing herein shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy to which this endorsement is attached.



## BLANKET GLASS (GLASS RIDER)

### INSURING AGREEMENT

The insurer hereby agrees, where coverage for Glass is indicated on the Declarations by a premium or otherwise, to indemnify the insured for:

- (a) all direct physical loss or damage to the insured glass (as described below) excluding normal wear and tear and deterioration, corrosion and/or rust.
- (b) the direct expense of: boarding up any openings: any temporary glass plates/panes used in the necessary repair or replacement procedures: the necessary removal and replacement of any fixtures or other obstructions (excluding show window displays).
- (c) additional expense incurred where any statute, ordinance or building code required the use of safety glazing material or other similar material in a hazardous location in the replacement of insured glass (as described below).

### INSURED GLASS

Glass as specified on the Declarations Page and if set in frames, sashes or bars, including such frames, sashes or bars and any lettering, ornamentation, tape or foil thereon, all being the property of the insured or for which the insured is responsible at the location(s) insured as shown on the Declarations Page.

### DEDUCTIBLE

The insurer is liable only for the amount by which the loss or damage insured against exceeds the sum stated on the Declarations Page in any occurrence.

### LIMIT OF LIABILITY

The insurer's limit of liability

- with respect to Insuring Agreement a):  
shall not exceed the actual cost of replacement, at the time of breakage, including the installation costs, nor the amount of insurance when stated on the Declarations Page.
- with respect to Insuring Agreement b):  
\$500.in total in any one loss occurrence.
- with respect to Insuring Agreement c):  
\$500.in total in any one loss occurrence.

### NOTICE OF LOSS

As soon as practicable written notice of loss hereunder, with full particulars as far as can be determined, must be given to the insurer or to its authorized representative, and the insured shall make all reasonable efforts to preserve the glass and to prevent further loss. The insurer may require the insured to file affirmative proof of loss under oath on forms provided by the insurer, together with full particulars of the loss.

### ADJUSTMENT

The insurer shall replace, without unnecessary delay, any broken glass insured hereunder, or pay for the same in money within the limits provided herein, as the insurer may elect. If there be salvage, it shall be the property of the insurer in all cases.

### EXCLUSION

The insurer shall not be liable for loss or damage resulting directly or indirectly from fire whether in the premises described on the Declarations Page or elsewhere.

This Form is subject to the terms and conditions set forth herein together with such other terms and conditions as may be endorsed hereon or added hereto, including the Standard Conditions and Statutory Conditions. No term or condition of this Form shall be deemed to be waived in whole or in part by the insurer unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the insurer.

# EQUIPMENT BREAKDOWN

## TABLE OF CONTENTS

SUMMARY OF EXTENSIONS .....	2
INSURING AGREEMENT .....	3
EXCLUSIONS .....	3
EXTENSIONS OF COVERAGE .....	3
AMMONIA CONTAMINATION .....	3
BYLAWS .....	3
DATA AND MEDIA .....	3
EXPEDITING EXPENSE .....	4
HAZARDOUS SUBSTANCE .....	4
PROFESSIONAL FEES .....	4
WATER DAMAGE .....	4
EQUIPMENT UPGRADE .....	4
ENVIRONMENTAL (GREEN) UPGRADE .....	4
NEW ACQUISITIONS .....	4
ERRORS AND OMISSIONS .....	4
SERVICE INTERRUPTION .....	4
BRANDS AND LABELS .....	5
SPECIAL CONDITIONS .....	5
LIMIT OF INSURANCE .....	5
BASIS OF SETTLEMENT .....	5
DEDUCTIBLE .....	5
SUSPENSION .....	5
REFILLABLE TANKS .....	5
HEAT TRANSFER MEDIUM .....	5
OTHER INSURANCE .....	5
DISPUTED LOSSES .....	5
DEFINITIONS .....	5

## EQUIPMENT BREAKDOWN

WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED IN THE DEFINITIONS SECTION OF THIS FORM

### SUMMARY OF EXTENSIONS

The following list is a summary of extensions more specifically described in this policy wording under the Extensions of Coverage section or as specified in the Declaration Pages.

Item	Coverage	Limit of Insurance
1.	Ammonia Contamination	\$100,000 in respect of "any one accident", or as shown in the Declaration Pages
2.	Bylaws	As shown in the Declaration Pages
3.	Data and Media	\$50,000 in respect of "any one accident", or as shown in the Declaration Pages
4.	Expediting Expense	\$100,000 in respect of "any one accident", or as shown in the Declaration Pages
5.	Hazardous Substance	\$100,000 in respect of "any one accident", or as shown in the Declaration Pages
6.	Professional Fees	\$100,000 in respect of "any one accident", or as shown in the Declaration Pages
7.	Water Damage	\$100,000 in respect of "any one accident", or as shown in the Declaration Pages
8.	Equipment Upgrade	25% Additional on Damaged Equipment - Maximum \$250,000 in respect of "any one accident", or as shown in the Declaration Pages
9.	Environmental (Green) Upgrade	25% Additional on Damaged Equipment - Maximum \$250,000 in respect of "any one accident", or as shown in the Declaration Pages
10.	New Acquisitions	Included
11.	Errors or Omissions	5% of the Limit of Insurance to a maximum of \$250,000 in respect of "any one accident", or as shown in the Declaration Pages
12.	Service Interruption	Included
13.	Brands and Labels	\$100,000 in respect of "any one accident", or as shown in the Declaration Pages

**Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.**

## EQUIPMENT BREAKDOWN

### INSURING AGREEMENT

In the event of an "accident" to an "object", while the said "object" is on the "premises" while in use or connected ready for use, the Insurer agrees to pay for loss or damage to the "object" and to other "insured property" directly damaged by the "accident".

If another name is mentioned in the policy as an additional Named Insured, the Insurer will consider that name as being a joint Named Insured with the Insured to the extent of their interest as shown.

The inclusion of more than one Named Insured does not increase the Limit of Insurance per "accident".

### EXCLUSIONS

#### This Form does not insure:

1. loss or damage caused directly or indirectly by a nuclear reaction or radiation, or radioactive contamination, however caused;
2. loss or damage caused directly or indirectly by in whole or in part, 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;
3. loss or damage caused directly or indirectly by pollution, contamination or damage by a "hazardous substance", however caused, except as provided under EXTENSION OF COVERAGE, Item 5. HAZARDOUS SUBSTANCE;
4. loss or damage caused directly or indirectly by an "accident" caused by or resulting from:
  - 4.1. earth movement, including but not limited to earthquake, landslide, mud flow, subsidence, volcanic eruption, tidal wave or tsunami;
  - 4.2. wind, including but not limited to cyclone, tornado or hurricane;
  - 4.3. fire, smoke, or combustion explosion; or
  - 4.4. water or other means used to extinguish a fire;
5. loss or damage caused directly or indirectly by:
  - 5.1. fire, smoke or combustion explosion that occurs at the same time as an "accident" or that ensues from an "accident". However, with respect to any "object" which is an electrical or electronic machine or apparatus, fire damage within the said machine or apparatus which occurs at the same time as an "accident" or that ensues from an "accident" is covered provided that such fire, smoke or combustion explosion and the resulting loss or damage are all solely within the interior of an enclosed machine or enclosed electrical panel included as an "object";
  - 5.2. escape of water resulting from an "accident" unless:
    - 5.2.1. coverage for the cause of loss is not provided by any other insurance policy in effect at the time of the loss; and
    - 5.2.2. the water escapes from an "object" that normally contains water or steam;
  - 5.3. flood unless an "accident" ensues. The Insurer shall then pay only for loss resulting directly from the "accident" itself;
  - 5.4. lightning, hail, snow load and ice load, if a coverage for the cause of loss is provided by any other insurance policy or form in effect at the time of the loss;
6. loss or damage caused directly or indirectly by an "accident" to any "object" while:
  - 6.1. undergoing a hydrostatic, pneumatic or gas pressure test;
  - 6.2. undergoing an electrical or performance test;
  - 6.3. undergoing an insulation breakdown test;
  - 6.4. electrical or electronic "objects" are that being dried out;
7. loss or damage caused directly or indirectly by an explosion within the furnace of any boiler of the chemical recovery type or within the passages from the furnace to the atmosphere whether or not such explosion:

- 7.1. is contributed to or aggravated by an "accident" to any part of said boiler that contains steam or water; or
- 7.2. is caused in whole or in part, directly or indirectly, by an "accident" to any "object", or part thereof;
8. loss or damage caused directly or indirectly by lack of power, light, heat, steam or refrigeration resulting from an "accident" to any "object", unless Equipment Breakdown – Consequential Damage Coverage is specified in the Declaration Pages;
9. interruption of business caused directly or indirectly by an "accident" to an "object", unless Equipment Breakdown – Business Interruption Coverage is specified in the Declaration Pages;
10. loss or damage caused directly or indirectly from the partial or total failure, malfunction or loss of use of any electronic equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:
  - 10.1. the erasure, destruction, corruption, misappropriation or misinterpretation of "data";
  - 10.2. any error in creating, amending, entering, deleting or using "data";
  - 10.3. the inability to receive, transmit or use "data"; or
  - 10.4. the impact of any virus or the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility;

however the Insurer shall pay for loss that ensues solely from an "accident" to any other "insured property".

### EXTENSIONS OF COVERAGE

#### 1. AMMONIA CONTAMINATION

If there is an "accident" to "object", the Insurer will pay, up to an amount of \$100,000 in respect of "any one accident", for loss with respect to damage by ammonia contacting or permeating property under refrigeration or in process requiring refrigeration, resulting from "any one accident". This amount includes salvage expenses.

#### 2. BYLAWS

This Extension applies only if the Declaration Page shows the word Included for Bylaws.

If prior to the time of an "accident" there is in force a law, bylaw, ordinance, regulation, rule or ruling regulating or restricting repair, alteration, use, operation, construction or installation of "insured property", the Insurer will pay for:

- 2.1. the increase in cost of repair or replacement of both damaged and undamaged property (including any demolition and site clearing costs) which is necessary to meet the minimum requirements of the law, bylaw, ordinance, regulation, rule or ruling;
- 2.2. any increase of loss due to business interruption or consequential damage resulting from the enactment or application of any bylaw, ordinance, law, regulation, rule or ruling. But only if:
  - 2.2.1. Equipment Breakdown Coverage – Consequential Damage and/or Equipment Breakdown Coverage – Business Interruption Coverage(s) is/are specified in the Declaration Pages;

#### 3. DATA AND MEDIA

Notwithstanding the data exclusion provided under this form, if, as a result of an "accident" to an "object", "data" is lost or damaged, the Insurer will pay, up to an amount of \$50,000 in respect of "any one accident", for:

- 3.1. the cost of gathering or reproducing the "data";
- 3.2. the business interruption resulting from the loss or damage to the "data".

However, the Insurer shall not be liable for "data" which is lost or damaged as a result of programming errors of any kind.

## EQUIPMENT BREAKDOWN

### 4. EXPEDITING EXPENSE

If there is an "accident" to an "object", the Insurer will pay the reasonable extra cost to:

- 4.1. make temporary repairs;
- 4.2. expedite permanent repairs; or
- 4.3. expedite permanent replacement;

of the "object" or other "insured property" which is directly damaged by the "accident".

The Insurer shall not be liable for expenses related to an "object" or "insured property" installed to replace the function of the damaged property on a temporary basis.

### 5. HAZARDOUS SUBSTANCE

If a "hazardous substance" is involved in or released by an "accident" to an "object", the Insurer will pay, up to an amount of \$100,000 in respect of "any one accident" for:

- 5.1. the increase in cost to repair, replace, clean up or dispose of affected "insured property";
- 5.2. any increase in business interruption loss because of the presence of a "hazardous substance".

The Insurer shall not be liable under this extension for loss or damage caused by ammonia contamination.

As used in this extension, increase in cost or increase in loss is that cost or loss beyond that for which the Insurer would have been liable had no "hazardous substance" been present.

### 6. PROFESSIONAL FEES

In the event that an "accident" occurs, the Insurer will pay, up to an amount of \$100,000 in respect of "any one accident", for the reasonable and necessary fees payable to auditors, accountants, architects, legal counsel, engineers or other professionals, excluding the Insured's employees, to help produce and certify information required by the Insurer to establish the amount payable under this form.

### 7. WATER DAMAGE

The Insurer will pay, up to an amount of \$100,000 in respect of "any one accident" for loss to "insured property" damaged by water, resulting from "any one accident" to piping included in the definition of "object". This amount includes salvage expenses.

### 8. EQUIPMENT UPGRADE

This policy is extended to cover any increase in the cost of replacing an "object" or other "insured property" damaged as a result of an "accident", provided:

- 8.1. the "object" or other "insured property" is replaced with a new "object" or other "insured property" that is capable of performing the same functions and that may include technological improvements;
- 8.2. the Insurer will not pay more than 25% in addition, up to a maximum amount of \$250,000 of what the cost would have been to replace with like kind, capacity, size, quality and serves the same primary function;
- 8.3. this extension does not apply to any "object" or other "insured property" valued at "Actual Cash Value", obsolete "objects" or uninsured property;

### 9. ENVIRONMENTAL (GREEN) UPGRADE

9.1. As respects direct physical loss, if the "object" or other "insured property" requires replacement due to an "accident" the Insurer will pay the Insured's additional costs to replace with an "object" or other "insured property" that is better for the environment and more energy efficient than the "object" or other "insured property" being replaced;

- 9.1.1. the Insurer will not pay more than 25% in addition, up to a maximum amount of \$250,000 of what the cost would have

been to replace with like kind, capacity, size, quality and serves the same primary function;

- 9.1.2. this extension does not apply to any "object" or other "insured property" valued at "Actual Cash Value", obsolete "objects" or uninsured property;
- 9.2. as a part of Item 9.1., the Insurer will pay up to a maximum of \$25,000 for:
  - 9.2.1. the additional reasonable and necessary fees incurred by the Insured for an accredited professional certified by a "green authority" to participate in the repair or replacement of physically damaged "objects" or other "insured property" as "green";
  - 9.2.2. the additional reasonable and necessary cost incurred by the Insured for certification or recertification of the replaced or repaired "objects" or other "insured property" as "green";
  - 9.2.3. the additional reasonable and necessary cost incurred by the Insured for "green" removal, disposal or recycling of a damaged "object" or other "insured property";
  - 9.2.4. the limit under item 9.2. is a part of and not in addition to the Limit of Insurance as provided under items 9.1.1.
- 9.3. the Insurer shall not be liable under this extension for loss or damage:
  - 9.3.1. to stock, raw material, finished goods, production equipment, merchandise, electronic data processing "object" not used in the functional support of the "object", process water, moulds and dies, property in the open, property of others for which the Insured is legally liable;
  - 9.3.2. if the cause of loss is covered by any other insurance policy or form;
  - 9.3.3. costs incurred due to any law ordinance with which the Insured was legally obligated to comply prior to the time of the "object" or other "insured property" "accident".

### 10. NEW ACQUISITIONS

Coverage is extended to include new "premises" the Insured may acquire, or those the Insured newly occupies as a tenant, provided:

- 10.1. the Insured notifies the Insurer of the new acquisition;
- 10.2. the property situated at the "premises" is a type covered in the definition of "object";
- 10.3. the Insured agrees to pay the resulting additional premium;
- 10.4. the newly acquired or rented "premises" is in Canada.

This extension shall apply at the time of the acquisition of the "premises" and extends for a period of 90 days, or to the date of endorsement of this policy adding such location, or until the expiry date of this policy or form, whichever occurs first.

### 11. ERRORS AND OMISSIONS

In the event of any unintentional error or omission in the statement of values, schedule of locations, descriptions or valuations that the Insured submits, the Insurer shall indemnify the Insured, for up to 5% of the Limit of Insurance or amount stated on the Declaration Pages, subject to a maximum recovery of \$250,000 in respect of "any one accident".

It is a condition of this extension that such error or omission be reported to the Insurer as soon as it is discovered.

### 12. SERVICE INTERRUPTION

If there is an "accident" to "objects" not owned or operated by the Insured, the Insurer will pay for:

- 12.1. loss of perishable "insured property" which spoils;
  - 12.2. loss due to business interruption;
- But only if:
- 12.3. Equipment Breakdown Coverage – Consequential Damage and/or Equipment Breakdown Coverage - Business Interruption Coverage(s) is/are specified in the Declaration Pages; and
  - 12.4. the "object" is also:

## EQUIPMENT BREAKDOWN

- 12.4.1. of a kind described under the definition of "object";
  - 12.4.2. situated on or within a 1,000 meters radius of the "premises";
  - 12.4.3. the property of a public utility, of the building owner of the "premises" or a company contracted by the Insured for utility services;
  - 12.4.4. used to supply steam, gas, air, water, refrigeration, electricity, air conditioning, heating or communication services to the "premises";
- 12.5. This extension does not cover loss directly or indirectly arising from:
- 12.5.1. loss or reduction of services due to the lack of sufficient capacity; or
  - 12.5.2. an intentional reduction in the supply of services.

### 13. BRANDS AND LABELS

If there is an "accident" to "objects" causing loss or damage to other "insured property" that bears a brand or trademark, or the sale of which in any way carries or implies the guarantee of the responsibility of the manufacturer or Insured:

- 13.1. the salvage value of such damaged "insured property" shall be determined after removal and re-identifying such brands or trademarks or other identifying characteristics;
- 13.2. the cost of such removal shall be borne by the Insurer up to an amount of \$100,000 in respect of "any one accident".

---

### SPECIAL CONDITIONS

#### 1. LIMIT OF INSURANCE

The Insurer's total liability for any loss or damage to "objects" from "any one accident" shall not exceed the Limit of Insurance stated in the Declaration Pages.

#### 2. BASIS OF SETTLEMENT

The Insurer agrees to pay for "insured property" which is damaged as follows:

- 2.1. with regards to "media", the cost of blank material;
- 2.2. with regards to exposed film, records, manuscripts and drawings, the cost of blank material plus the cost of transcription;
- 2.3. with regards to any heat exchanger that forms part of forced air heating equipment that is five (5) years old or more from the date of purchase new, its "actual cash value";
- 2.4. with regards to all other "insured property", the lesser of the cost at the time of the "accident":
  - 2.4.1. to repair; or
  - 2.4.2. to replace with similar property of like kind, capacity, size, quality and function.

The Insurer shall not be liable:

- 2.5. for the cost of repairing or replacing any part or parts of a piece of "object" which is greater than the cost of repairing or replacing the entire "object";
- 2.6. for more than the cost to replace the damaged property with other property of like kind, capacity, size, quality and function;
- 2.7. for loss or damage to any "insured property" which is useless or obsolete.

If the damaged "insured property" is not repaired or replaced within 12 months following the date of the "accident", the Insurer will only pay its "actual cash value".

#### 3. DEDUCTIBLE

For any loss or damage caused by "any one accident", the Insured shall bear that part of the loss corresponding to the applicable deductible specified in the Declaration Pages. If more than one deductible is specified and is applicable to covered loss under this policy from any "any one accident", only one deductible shall be applied and that shall be the largest of the applicable deductibles as specified in the Declaration Pages.

#### 4. SUSPENSION

If it is discovered by any one of the Insurer's representatives that any "object" is subject to or is exposed to a dangerous condition this representative may immediately suspend the coverage for loss and damages resulting from the "accident" of such "object" (including any protection applying to the interest of any mortgagee specified in the policy). Notice of suspension shall be given either at the mailing address specified in the Declaration Pages, or at the "premises" where the "object" is situated. The Insurer agrees to furnish a copy of the suspension notice to the mortgagee. Once coverage has been suspended, it can only be reinstated by an endorsement issued to form part of this policy. The Insured shall be allowed a pro rata refund of premium for that "object" for the period that coverage is suspended.

#### 5. REFILLABLE TANKS

The Insurer considers as connected ready for use any unfired pressure vessel used for storage of gas or liquid which is periodically filled, moved, emptied and refilled in the course of its normal service.

#### 6. HEAT TRANSFER MEDIUM

When a vessel uses a heat transfer medium other than water, this medium or its vapour are considered as replacing the words water or steam.

#### 7. OTHER INSURANCE

- 7.1. If there is property insurance or any other insurance (except for equipment breakdown insurance) that applies to the same loss or damage as this policy, then this policy will pay only for the amount of insured loss or damage that is in excess of the amount that applies from the property insurance or from the other insurance;
- 7.2. If the other insurance contains a similar excess clause, this policy will pay the proportion that the applicable Limit of Insurance under this policy bears to the limits of liability or amount of insurance under the other insurance, to the extent not in conflict with the IBC Guiding Principles;
- 7.3. If there is other equipment breakdown insurance that covers the same loss or damage as this policy, then this policy will pay in the proportion that the applicable Limit of Insurance under this policy bears to the limits of liability or amount of insurance under the other equipment breakdown insurance, to the extent not in conflict with the IBC Guiding Principles.

Nothing contained in this Condition shall operate to increase the limit of liability or Limit of Insurance under this policy.

#### 8. DISPUTED LOSSES

If a covered loss exists and there is disagreement between the Property Insurer and this Insurer as to which Insurer is liable or as to the proportion of the loss to be paid by each Insurer, then upon written request by the Named Insured this Insurer shall settle the loss in accordance with the Insurance Bureau of Canada's Property/Boiler Agreement Respecting Disputed Losses, providing the Property Insurer is signatory to that Agreement or has agreed in writing to be bound by its contents.

---

### DEFINITIONS

Whenever used in this Form:

1. "Actual cash value" means the cost of replacing the damaged "insured property" with property of similar kind, capacity, size, quality and function less depreciation however caused. The Insurer will consider such items as the age, condition and normal life expectancy of the damaged "insured property" in determining depreciation.
2. "Any one accident": If either the "accident" to an "object" causes the "accident" of other "objects" or a series of "accidents" occur at the same

## EQUIPMENT BREAKDOWN

- time as a result of the same cause, they will all be considered as "any one accident".
3. "Accident" means a sudden and accidental failure of an "object" resulting in physical damage which requires the repair or replacement of the "object" or a part of the "object".  
"Accident" does not mean:
    - 3.1. depletion, deterioration, corrosion or erosion of material;
    - 3.2. wear and tear;
    - 3.3. the functioning of any safety device or protective device;
    - 3.4. the failure of a structure or foundation supporting the "object" or a part of the "object";
    - 3.5. vibration and misalignment;
    - 3.6. the cracking of any part of any turbine exposed to the products of combustion;
    - 3.7. leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
    - 3.8. the breakdown of any vacuum tube, gas tube or brush;
    - 3.9. the functioning of any safety device or protective device.
  4. "Data" means facts, concept, information or software in a form useable for communications, interpretation or processing by electronic and electro-mechanical data processing or electronically controlled equipment.
  5. "Object" means any equipment owned, leased, operated or controlled by the Insured as described below:
    - 5.1. Any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any piping connected thereto, any other piping and its accessory equipment, and any heat exchanger that forms part of forced air heating equipment, but not including:
      - 5.1.1. any boiler setting, any refractory or insulating material;
      - 5.1.2. any part of a boiler or fired pressure vessel that does not contain steam or water;
      - 5.1.3. any drainage piping, any sprinkler piping and its accessory equipment;
    - 5.2. Any mechanical or electrical equipment used for the generation, transmission or utilization of mechanical or electrical power, but not including:
      - 5.2.1. any complete production machine or apparatus which processes, forms, cuts, shapes, grinds or conveys raw materials, materials in process, waste materials or finished product, and any equipment forming part of the driving or controlling mechanism for such production machine or apparatus;
      - 5.2.2. any electronic equipment or fibre optic cable;
      - 5.2.3. any vehicle, power shovel, excavator dragline or other mobile equipment, but not excluding any electrical equipment used with such machine or apparatus;
      - 5.2.4. any lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system;
      - 5.2.5. any conveyor belt;
      - 5.2.6. any laser cartridge.
    - 5.3. Any complete production machine or apparatus which processes, forms, cuts, shapes, grinds or conveys raw materials, material in process, waste material or finished product, and any equipment forming part of the driving or controlling mechanism for such production machine or apparatus, but not including:
      - 5.3.1. any vehicle, power shovel, excavator dragline or other mobile equipment, but not excluding any electrical equipment used with such machine or apparatus;
      - 5.3.2. any lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system;
      - 5.3.3. any conveyor belt;
      - 5.3.4. any laser cartridge, any die or mould associated with any production machine or apparatus;
    - 5.4. Any electronic equipment or fibre optic cable, but an "object" shall not include:
      - 5.4.1. any anode tube, x-ray tube, video amplifier tube or klystron tube; nor
      - 5.4.2. any laser cartridge.
  6. "Green" means: products, materials, methods and processes certified by a "green authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
  7. "Green Authority" means: an authority on "green" building products, materials, methods or processes certified and accepted by industry associations or government. These include but are not limited to: Leadership in Energy and Environmental Design (LEED), Green Building Initiative (Green Globes), Energy Star, Building Owners and Managers Association (BOMA) BEST, any applicable Canadian Standards Association guideline, ISO Standards or any other "green" rating or certification system recognised by the Insurer.
  8. "Hazardous substance" means:
    - 8.1. any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
    - 8.2. any mould, yeast, fungus or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, fungus or mildew, whether or not allergenic, pathogenic or toxigenic.
  9. "Insured property" means:
    - 9.1. The Insured's property; or
    - 9.2. Property of others in the Insured's care, custody or control and for which the Insured is legally liable.
  10. "Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks, floppy disks or flash drives.
  11. "Premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at the location described in the Declaration Pages

## EQUIPMENT BREAKDOWN

### **Deductible Waiver Endorsement**

This Endorsement changes the Policy. Please Read it Carefully.

Attached to and forming part of the Equipment Breakdown Coverage; Standard Comprehensive Form BM31

It is agreed that SPECIAL CONDITIONS 3. DEDUCTIBLE; is deleted in its entirety for any loss where the total amount claimed under form BM31 exceeds \$25,000.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

---

### **Service Interruption Endorsement**

This Endorsement changes the Policy. Please Read it Carefully.

Attached to and forming part of the Equipment Breakdown Coverage; Standard Comprehensive Form BM31

It is agreed that EXTENSION OF COVERAGE 12. SERVICE INTERRUPTION; 12.4.2 situated on or within a 1,000 meters radius of the "premises" Is deleted in its entirety.

It is further agreed that the following is added to EXTENSION OF COVERAGE 12. SERVICE INTERRUPTION; 12.5.3. any cause of loss provided by any other insurance policy in effect at the time of the loss.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.



# EQUIPMENT BREAKDOWN

## Equipment Breakdown Coverage - Business Interruption - Extra Expense

### WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED IN THE DEFINITIONS SECTION OF THIS FORM.

#### 1. INSURING AGREEMENT

In consideration of the Premium charged and subject to the Exclusions and Conditions of this Form, the Insurer hereby agrees with respect to the Premises described in the Declarations, to pay the Insured the amount of "Extra Expense", as defined in this Form, necessarily incurred by the Insured in order to continue as nearly as practicable the "normal" operation of the Insured's business, provided such "Extra Expense" is incurred solely as a result of an "Accident", as defined, to an "Object" insured under BM31, which "Object" is in use or connected ready for use. The foregoing is subject to the amount stated in the Declarations for this Form as "Limit of Liability" for any "one Accident".

#### 2. EXCLUSIONS

The Insurer shall not be liable for payment for any "Extra Expense":

- 1) Resulting from any loss to which any of the exclusions of BM31 apply;
- 2) For any time during which Business would not or could not have been carried on if the "Accident" had not occurred; or
- 3) Resulting from the failure of the Insured to use due diligence and dispatch and all reasonable means in order to resume Business.

If, following an "Accident", any lease, license or order is suspended, lapsed or cancelled, the Insurer shall not be liable for payment under this Form occurring after the time when Business could have been resumed if said lease, license or order had not lapsed or had not been suspended or cancelled.

In the event that an "Accident" occurs to an "Object", to which any special provision applies, (whether such special provision is stated in the Declarations, or in any Section of the Policy, or in any Schedules or Endorsements as may be attached to the Policy) and which special provision affects the property loss payable, then the Insurer's liability for any payment under this Form resulting from the damage causing the loss shall be subject to any such special provision.

#### 3. CONDITIONS

1. **Limit of Liability:** The limit of the Insurer's liability hereunder shall in no event exceed that percentage stated in the Declarations for this Form as "Limitation of insurer's liability based on Period of Restoration" for the determined Period of Restoration stated.

The liability of the Insurer under this Form, on account of any "One Accident", shall not exceed the Limit of Liability stated in the Declarations for this Form as "Limit of Liability". The Limit of Liability shall apply irrespective of any Limit per Accident specified.

In the event that "Extra Expense", incurred by the Insured during the longest Period of Restoration for which provision is made, does not exhaust the insurance hereby provided, then such unexhausted insurance shall apply for the remainder of the Period of Restoration.

If more than one Insured is named, the Insurer shall not be liable under this Form for any payment in excess of that for which it would have been liable if only one Insured had been named.

2. **Period of Restoration:** The Insurer shall be liable for such "Extra Expense" for not exceeding such length of time, herein referred to as the "Period of Restoration" commencing with the date of the "Accident" and not limited by the date of the expiration of this Policy, as shall be required with the exercise of due diligence and dispatch

to restore the normal operation of the Insured's business on the Premises described in the Declarations.

3. **Notice of Accident:** The Insured shall send immediate Notice of Accident to the Insurer, at any of its offices, by facsimile or letter, at the Insurer's expense, and the liability of the Insurer under this Form shall commence at the later of:

- a) the actual time of the Accident, or
- b) 24 hours prior to the receipt of such notice by the Insurer.

4. **Other insurance:** The words "joint loss", as used herein, mean loss to which both this insurance and other insurance carried by the Insured apply. In the event of such "joint loss",

- a) The Insurer shall be liable under this Form only for the proportion of said joint loss that the amount which would have been payable under this Form on account of said joint loss, had no other insurance existed, bears to the combined total of the said amount and the amount which would have been payable under all other insurance on account of said joint loss, had there been no insurance under this Form;

**but**

- b) In case the Policy or Policies affording such other insurance do not contain a clause similar to Clause 4 (a) above, the Insurer shall be liable under this Form only for the proportion of said joint loss that the amount insured under this Form, applicable to said joint loss, bears to the whole amount of insurance, applicable to said joint loss.

#### 4. DEFINITIONS

1. **Extra Expense:** The term "Extra Expense" wherever used in this Form shall mean the additional cost to conduct the Insured's business during the Period of Restoration over and above the cost that normally would have been incurred to conduct the business during the same period had no "Accident" occurred; such additional cost to include the expense of obtaining and using other property or facilities of other concerns or other necessary emergency expenses. In no event, however, shall the Insurer be liable under this Form for loss of income, nor for "Extra Expense" in excess of that necessary to continue as nearly as practicable the "normal" conduct of the Insured's business, nor for the cost of repairing or replacing any property that has been damaged or destroyed by an "Accident", except such cost incurred for the purpose of reducing the total amount of "Extra Expense"; the Insurer's liability to such cost, however, shall not exceed the amount by which the total "Extra Expense" otherwise payable under this Form is reduced. Any salvage value of substitute or temporary equipment or property remaining after resumption of normal operations shall be taken into consideration in the adjustment of any loss hereunder.

2. **Month:** "Month" shall mean a period of 30 (thirty) consecutive days.

3. **Normal:** The word "normal" wherever used in this Form shall mean the condition that would have existed had no Accident occurred.

4. **Object:** The definition of "Object" as used in this Form shall be the definition of "Object" in BM31.

5. **Accident:** The definition of "Accident" as used in this Form shall be the definition of "Accident" in BM31.

6. **One Accident:** The definition of "One Accident" as the term is used in this Form shall be the definition of "One Accident" as specified in the Policy

## EQUIPMENT BREAKDOWN

### Additional Living Expenses Endorsement

This Endorsement changes the Policy. Please Read it Carefully.

Attached to and forming part of the Equipment Breakdown Coverage; Extra Expense Form BM34

It is agreed that the following is added:

#### 5. EXTENSIONS OF COVERAGE

Additional Living Expenses:

In the event that loss or damage by an "accident" to an "object" renders any portion of the insured "Premises" uninhabitable, this policy covers the necessary increase in living expense (including the expenses of moving household furniture and personal effects, if necessary) incurred by the individual unit owners to continue as nearly as practicable the normal standard of living of the individual unit owner's household for the period described in (i) or (ii) below, whichever is the shorter period:

- (i) the time required with the exercise of due diligence and dispatch, to repair or replace such damaged or destroyed property; or
- (ii) the time required for the individual unit owner's household to become settled in permanent quarters.

This extension of coverage shall be limited to a maximum recovery of \$25,000 per strata unit or "Strata Lot" and \$1,000,000 Aggregate Limit per Policy Period. If access to any portion of the insured "Premises" is prohibited or denied by an order or action of civil authority as a direct result of loss or damage by an "accident to an "object" to the insured "Premises", or to neighbouring premises, this "Additional Living Expenses" coverage shall also apply for a period of such prohibited access not exceeding thirty (30) days. If the individual unit owners have other valid and collectible insurance against loss as described in this extension then this policy shall not apply.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

## EQUIPMENT BREAKDOWN

### Equipment Breakdown Coverage – Business Interruption – Loss of Profits

#### WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED IN THE DEFINITIONS SECTION OF THIS FORM.

#### 1. INSURING AGREEMENT

In consideration of the Premium charged, the Insurer hereby agrees, that if during the period while this Form is in effect any "Object" insured under this Policy, shall sustain an "Accident" and the Business carried on by the Insured at the Premises be interrupted or interfered with solely as a result of such "Accident", to pay the Insured the amount of loss resulting from such interruption or interference in accordance with the provisions of this Form, provided that the liability of the Insurer under this Form shall in no case exceed the amount stated in the Declarations for this Form, subject otherwise to the terms, conditions, provisions and definitions of BM31 or any Schedules or Endorsements as may be attached to the Policy except where they may be expressly varied herein.

#### 2. EXCLUSIONS

The Insurer shall not be liable for payment for any interruption or interference with Business:

1. Resulting from any loss to which any of the exclusions per BM31 apply;
2. For any time during which Business would not or could not have been carried on if the "Accident" had not occurred; or
3. Resulting from the failure of the Insured to use due diligence and dispatch and all reasonable means in order to resume Business.

If, following an "Accident", any lease, license or order is suspended, lapsed or cancelled, the Insurer shall not be liable for payment under this Form occurring after the time when Business could have been resumed if said lease, license or order had not lapsed or had not been suspended or cancelled.

In the event that an "Accident" occurs to an "Object", to which any special provision applies, (whether such special provision is stated in the Declarations, or in any Section of the Policy, or in any Schedules or Endorsements as may be attached to the Policy) and which special provision affects the property loss payable, then the insurer's liability for any payment under this Form resulting from the damage causing the loss shall be subject to any such special provision.

#### 3. CONDITIONS

1) **BASIS OF INSURANCE:** The Insurance provided is limited to loss of "Gross Profit" due to **REDUCTION IN "TURNOVER"** and **INCREASE IN COST OF WORKING**, and the amount payable as Indemnity thereunder shall be:

- a) **IN RESPECT OF REDUCTION OF "TURNOVER":** The sum produced by applying the "Rate of Gross Profit" to the amount by which the "Turnover" during the Indemnity Period shall in consequence of the "Accident" fall short of the "Standard Turnover".
- b) **IN RESPECT OF INCREASE IN COST OF WORKING:** The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in "Turnover" which but for that expenditure would have taken place during the Indemnity Period in consequence of the "Accident" but not exceeding the sum produced by applying the "Rate of Gross Profit" to the amount of the reduction thereby avoided.

LESS any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the "Accident", provided that if the

Sum Insured by this Item be less than the sum produced by applying the "Rate of Gross Profit" to one times the "Annual Turnover", the amount payable shall be proportionately reduced.

- 2) **Indemnity Period:** The period beginning with the occurrence of the "Accident" and ending not later than the number of months as specified in the Declarations as "Indemnity Period: Number of Months" during which the results of the Business shall be affected solely by the "Accident".
- 3) **Limit of Liability:** The Liability of the Insurer under this Form, on account of any "One Accident", shall not exceed the amount stated in the Declarations for this Form and shall apply irrespective of the Limit per Accident as specified in the Policy.  
If more than one Insured is named, the Insurer shall not be liable under this Form for any payment in excess of that for which it would have been liable if only one Insured had been named.  
The Liability of the Insurer under this Form shall not be limited by the expiration of the Policy.  
Any payment for which the Insurer is liable under this Form shall be considered a loss under this Form. The Insurer shall not be liable for any loss due to fines or damages for breach of contract, for late or non-completion of orders, or for any penalties of whatever nature.
- 4) **Commencement of Liability:** The commencement of the Insurer's liability under this Form for payment on account of an "Accident" shall be (a) the time of the "Accident" or (b) 24 (twenty-four) hours before the notice of the Accident is received by the Insurer, whichever is later. If the time in effect at the address to which a notice is sent is different from that in effect at the Location where the "Accident" occurred, the time of the receipt of such notice, for the determination of the Commencement of Liability, shall be considered on the basis of the time in effect where the "Accident" occurred.
- 5) **Waiting Period:** If a "Waiting Period" is specified in the Declarations for this Form as "Waiting Period: Number of Hours" or "Production Machinery Waiting Period: Number of Hours", but not otherwise, the Insurer shall not be liable for any loss and expense during any period prior to the specified hour after the Commencement of Liability as provided in Condition 4.
- 6) **Deductible:** If an amount is specified in the Declarations for this Form, but not otherwise, such amount shall be deducted from the total amount of any loss and expense for which the Insurer is liable under this Coverage for any "One Accident", and no liability shall exist for such amount deducted.
- 7) **Reduction of Payment:** As soon as possible after an "Accident" the Insured shall resume Business, in whole or in part, and shall utilize every available means, including surplus machinery, duplicate parts, equipment, supplies and surplus or reserved stock, which may be owned, controlled or used by the Insured, which might reduce the amount for which the Insurer would otherwise be liable under this Form. The Insurer may take such means as will in the opinion of the Insurer reduce or avert prevention of Business on the Premises or supply the functions of the Premises in some other way.
- 8) **Premium Adjustment:** If within 12 (twelve) months of each of the annual anniversary dates of this Form the Insured shall file with the Company a Standard Premium Adjustment Application Form showing, as respects the immediately previous annual period of this Form, that the "Gross Profit" earned during the Insured's financial year most nearly concurrent with such immediately previous annual period of this Form, as certified by the Insured's auditors, or a multiple thereof to coincide with the Indemnity Period if this exceeds 12 (twelve) months, was less than the sum insured as stated in the Declaration, then the Insurer will allow, in respect of the difference, a return premium to the Insured not exceeding 50% (fifty percent) of the premium paid by the Insured under this Form for the immediately previous annual period.

## EQUIPMENT BREAKDOWN

In the event of loss originating during the term of this Form, the premium for the full term of the Policy on the full amount paid or payable for such loss shall be regarded as earned and no return premium be made in respect thereof.

The Insurer reserves the right to inspect the Insured's books and records for verification of any statement filed for the purpose of adjusting the premium of this Form.

- 9) **Other Insurance:** The words "joint loss", as used herein, mean loss to which both this insurance and other insurance carried by the Insured apply. In the event of such "joint loss",
- a) The Insurer shall be liable under this Form only for the proportion of said joint loss that the amount which would have been payable under this Form on account of said joint loss, had no other insurance existed bears to the combined total of the said amount and the amount which would have been payable under all other insurance on account of said joint loss, had there been no insurance under this Form; but
- b) In case the Policy or Policies affording such other insurance do not contain a clause similar to Clause 9 (a) above, the Insurer shall be liable under this Form only for the proportion of said joint loss that the amount insured under this Form, applicable to said joint loss, bears to the whole amount of insurance applicable to said joint loss.

#### 4. DEFINITIONS

1) **Gross Profit:** "Gross Profit" shall mean the sum produced by adding to the Net Profit the amount of All Standing Charges, or if there be no Net Profit the amount of All standing Charges less any Net Trading Loss.

2) **Net Profit:** "Net Profit" shall mean the Net Trading Profit (exclusive of all capital receipts and accretions and all outlay properly chargeable capital) resulting from the Business of the Insured at the Premises after due provision has been made for all standing and other charges including depreciation but before deduction of any taxation chargeable on Profits.

The following shall in no event be deemed to be Standing Charges:

- a) Depreciation of Stock;
- b) Bad Debts;
- c) Fines or Damages for Breach of Contract;
- d) Wages and salaries, other than salaries to permanent staff and wages to foremen and important employees whose services would not be dispensed with should the business be interrupted or interfered with solely as a result of an "Accident";
- e) Auditors' fees incurred in preparing any claim under this Form.
- 3) **Turnover:** "Turnover" shall mean the money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the Business at the Premises.
- 4) **Rate of Gross Profit:** "Rate of Gross Profit" shall mean the "Rate of Gross Profit" earned on the "Turnover" during the financial year immediately before the date of the Accident"; "to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the "Accident" or which would have affected the Business had the "Accident" not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the "Accident" would have been obtained during the relative period after the "Accident".
- 5) **Annual Turnover:** "Annual Turnover" shall mean the "Turnover" during the 12 (twelve) months immediately before the date of the "Accident"; "to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the "Accident" or which would have affected the Business had the "Accident" not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results

which but for the "Accident" would have been obtained during the relative period after the "Accident".

- 6) **Standard Turnover:** "Standard Turnover" shall mean the "Turnover" during that period in the 12 (twelve) months immediately before the date of the "Accident" which corresponds with the Indemnity Period; "to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the "Accident" or which would have affected the Business had the "Accident" not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the "Accident" would have been obtained during the relative period after the "Accident".
- 7) **Object:** The definition of "Object" as used in this Form shall be the definition of "Object" in BM31.
- 8) **Accident:** The definition of "Accident" as used in this Form shall be the definition of "Accident" in BM31.
- 9) **One Accident:** The definition of "One Accident" as the term is used in this Form shall be the definition of "One Accident" as specified in the Policy.

## EQUIPMENT BREAKDOWN

### Three Year Rate Agreement Endorsement

This Endorsement changes the Policy. Please Read it Carefully.

It is agreed that the rates used on this policy are for the Period November 1, 2017 to November 1, 2020 only.

The agreed rates shall be charged on each renewal, except such rates may be changed if the loss ratio on the program exceeds 55%.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

# Pollution Liability

## DECLARATIONS

**THIS POLICY PROVIDES COVERAGE ON A DISCOVERY AND/OR CLAIMS-MADE AND REPORTED BASIS DEPENDING UPON THE COVERAGE LISTED AS PROVIDED BELOW. PAYMENT OF DEFENCE COSTS ERODES THE LIMITS OF LIABILITY. THE ITEMS BELOW MAY BE MODIFIED BY ENDORSEMENT. READ THE DECLARATIONS, POLICY, AND ALL ENDORSEMENTS CAREFULLY.**

<b>Policy Number</b>	8706113	
<b>Item 1: Named Insured</b>		STRATA CORPORATIONS AND/OR RESIDENTIAL HOUSING ENTITIES C/O BFL CANADA INSURANCE SERVICES INC. 1177 West Hastings Street - Suite 200, Vancouver, BC V6E 2K3
<b>Item 2: Policy Period:</b>		Refer to Endorsement #16 - Amendment to Policy Period
<b>Item 3: Limits of Liability</b>		\$1,000,000 Each Pollution Event Limit. \$5,000,000 Aggregate Policy Limit
<b>Item 4: Deductible:</b>		\$ 25,000 Each Pollution Event
<b>Item 5: Coverages</b>		This policy provides coverage only with respect to the specific Insuring Agreements indicated below and as described in the Z Choice Pollution Liability policy, and/or in any endorsements. If the word YES appears in the PROVIDED column corresponding with an insuring agreement listed below, it means that such coverage is provided. If the word NO appears or the space is blank or blacked out it means that such coverage is not provided. Sub-limits are described in Section VI. of the policy.

INSURING AGREEMENTS	PROVIDED	SUB-LIMIT / AGGREGATE	SEPARATE DEDUCTIBLE
<b>Coverage A: Cleanup Costs - Existing Pollution Event</b>			
1.(a) On-Site First Party Discovery	YES	NO	NO
1.(b) On-Site Third Party Liability	YES	NO	NO
2.(a) Off-Site First Party Discovery	YES	NO	NO
2.(b) Off-Site Third Party Liability	YES	NO	NO
<b>Coverage B: Bodily Injury or Property Damage - Existing Pollution Event</b>			
1.(a) On-Site Bodily Injury	YES	NO	NO
1.(b) On-Site Property Damage	YES	NO	NO
2.(a) Off-Site Bodily Injury	YES	NO	NO
2.(b) Off-Site Property Damage	YES	NO	NO
<b>Coverage C: Cleanup Costs - New Pollution Event</b>			
1.(a) On-Site First Party Discovery	YES	NO	NO
1.(b) On-Site Third Party Liability	YES	NO	NO
2.(a) Off-Site First Party Discovery	YES	NO	NO
2.(b) Off-Site Third Party Liability	YES	NO	NO
<b>Coverage D: Bodily Injury or Property Damage - New Pollution Event</b>			
1.(a) On-Site Bodily Injury	YES	NO	NO
1.(b) On-Site Property Damage	YES	NO	NO
2.(a) Off-Site Bodily Injury	YES	NO	NO
2.(b) Off-Site Property Damage	YES	NO	NO
<b>Coverage E: Natural Resource Damages</b>			
1. Existing Pollution Event	YES	NO	NO
2. New Pollution Event	YES	NO	NO
<b>Coverage F: Choice Coverage - Non-Owned Locations</b>			
1.(a) On-Site Bodily Injury	YES	NO	NO
1.(b) On-Site Property Damage	YES	NO	NO
1.(c) On-Site Cleanup Costs	YES	NO	NO
2.(a) Off-Site Bodily Injury	YES	NO	NO
2.(b) Off-Site Property Damage	YES	NO	NO
2.(c) Off-Site Cleanup Costs	YES	NO	NO
<b>Coverage G: Choice Coverage - Transportation of Materials</b>			
1. Bodily Injury	YES	NO	NO
2. Property Damage	YES	NO	NO
3. Cleanup Costs	YES	NO	NO
<b>Coverage H: Choice Coverage - Suspension of Operations</b>			
1. Existing Pollution Event	NO	NO	NO
2. New Pollution Event	NO	NO	NO
<b>Coverage I: Choice Coverage - Suspension of Tenant Occupancy</b>			



# Pollution Liability

## SCHEDULE OF FORMS AND ENDORSEMENTS

### Form/Endorsement Title Form Number

Choice Pollution Liability Declarations	ZC 5559 U (06/09)
Choice Pollution Liability Insurance Policy	ZC 5558 U (01/09)
Schedule of Covered Locations with Material Change in Use Exclusion	STF-EPC-151-A CW (11/07)
Nuclear Exclusion Endorsement	STF-EPC-143-A CW (11/07)
Terrorism Exclusion	STF-EPC-181-A CW (07/08)
Amendment of Cancellation Endorsement (90 days)	STF-EPC-119-A CW (11/07)
Additional Named Insured Endorsement	STF-EPC-115-A CW (11/07)
Coverage E – Natural Resource Damages	STF-EPC-198-A CW (01/09)
Coverage F – Non-Owned Locations (Blanket) Endorsement	STF-EPC-192-A CW (11/08)
Coverage G – Transportation of Materials (TP carrier)	STF-EPC-106-A CW (11/07)
Coverage I – Suspension of Tenant Occupancy Endorsement	STF-EPC-108-A CW (11/07)
Coverage Q – Crisis Management Expense	STF-EPC-MAN-A CW (07/10)
Fines and Penalties Endorsement	STF-EPC-133-A CW (11/07)
Deletion of Exclusion K – Related Persons or Organizations	STF-EPC-MAN-A CW (07/10)
Amendment of Extended Reporting Period	STF-EPC-MAN-A CW (07/10)
Amendment of Pollution Event Definition (including Illicit Abandonment)	STF-EPC-MAN-A CW (07/10)
Shared Limits Endorsement	STF-EPC-MAN-A CW (07/10)
Amendment to Policy Period	STF-EPC-MAN-A CW (07/10)
Amendment to Definition of Bodily Injury	STF-EPC-MAN-A CW (07/10)
Subsurface Activities Exclusion - Cleanup Costs and National Resource Damages (This endorsement shall only apply to vacant and/or undeveloped land as of policy inception.)	STF-EPC-236-A CW (05/11)
Liberalization Clause	STF-EPC-MAN-A CW (08/20)
Communicable Disease Exclusion	STF-EPC-MAN-A CW (08/20)
Statutory Conditions, General Conditions and Other Conditions	ZC 6300 U
Trade and Economic Sanctions Limitation	ZC 13001 U
Grandfathered Terms & Conditions	STF-EPC-MAN



## Pollution Liability

### Z CHOICE POLLUTION LIABILITY

This policy provides coverage on a discovery and/or claims-made and reported basis depending upon the insuring agreements specifically listed as provided in Item 5 of the Declarations. A "pollution event" must be first "discovered" and/or a "claim" must be first made against an "insured" during the "policy period" and such "discovery" or "claim" must be reported to us in writing during the "policy period" or during an applicable extended reporting period. Notice of a "potential claim" is not a "claim" and does not trigger coverage under the policy.

This policy has certain unique provisions and requirements that may be different from other policies the "insured" may have purchased. Coverage is provided only if the word YES appears in the column marked PROVIDED in the schedule set forth in Item 5 of the Declarations. The payment of "claim expenses", including defence costs, reduces the Limits of Liability set forth in Item 3 of the Declarations. If the applicable Limits of Liability are exhausted, we shall not be liable for "claim expenses" or for any "loss", "cleanup costs" or "other loss" which would otherwise be covered under this policy. Read the entire policy carefully including any endorsements thereto to determine rights, duties, and what is and is not covered.

Throughout this policy, the words we, us and our refer to the company providing this insurance as identified in the Declarations. Words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section III).

In consideration of the payment of premium and the "named insured's" undertaking to pay the Deductible as described herein, in reliance upon the statements made during the application process and in the Application all of which are made a part hereof, and subject to the Limits of Liability of this insurance as set forth in Item 3 of the Declarations, and the exclusions, conditions and other terms of this policy, we agree with the "named insured" as follows:

#### I. INSURING AGREEMENTS

THESE COVERAGES ONLY APPLY IF AND TO THE EXTENT SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS

#### COVERAGE A: CLEANUP COSTS – EXISTING POLLUTION EVENT

##### 1. On-Site

###### (a) First Party Discovery

We will pay "cleanup costs" to the extent resulting from an "existing pollution event" on, at or under a "covered location", if that "existing pollution event" is first "discovered" during the "policy period" and the "discovery" is reported to us in writing during the "policy period" or any applicable extended reporting period.

###### (b) Third Party Liability

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from an "existing pollution event" on, at, or under a "covered location", provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "cleanup costs" attributable to any irritant, contaminant or pollutant that is outside the boundaries of a "covered location".

##### 2. Off-Site

###### (a) First Party Discovery

We will pay "cleanup costs" to the extent resulting from an "existing pollution event" that migrates beyond the boundaries from a "covered

location", if that "existing pollution event" is first "discovered" during the "policy period" and the "discovery" is reported to us in writing during the "policy period" or any applicable extended reporting period. Third Party Liability

###### (b) Third Party Liability

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from an "existing pollution event" that migrates beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "cleanup costs" attributable to any irritant, contaminant or pollutant that is on, at or under a "covered location".

#### COVERAGE B: BODILY INJURY OR PROPERTY DAMAGE – EXISTING POLLUTION EVENT

##### 1. On-Site

###### (a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

- (i) sustained by a person while within the boundaries of a "covered location"; and
  - (ii) resulting from an "existing pollution event" on, at or under such "covered location";
- provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

###### (b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

- (i) to property within the boundaries of a "covered location"; and
  - (ii) resulting from an "existing pollution event" on, at or under such "covered location";
- provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" attributable to any irritant, contaminant or pollutant that is outside the boundaries of a "covered location".

##### 2. Off-Site

###### (a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

- (i) sustained by a person while beyond the boundaries of a "covered location", and
  - (ii) resulting from an "existing pollution event" that migrates beyond the boundaries from such "covered location";
- provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

###### (b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

- (i) to property beyond the boundaries of a "covered location"; and
  - (ii) resulting from an "existing pollution event" that migrates beyond the boundaries from such "covered location";
- provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" attributable to any irritant, contaminant or pollutant that is on, at

## Pollution Liability

or under a "covered location".

### COVERAGE C: CLEANUP COSTS – NEW POLLUTION EVENT

#### 1. On-Site

##### (a) First Party Discovery

We will pay "cleanup costs" to the extent resulting from a "new pollution event" on, at or under a "covered location", if that "new pollution event" is first "discovered" during the "policy period" and the "discovery" is reported to us in writing during the "policy period" or any applicable extended reporting period.

##### (b) Third Party Liability

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "new pollution event" on, at, or under a "covered location", provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "cleanup costs" attributable to any irritant, contaminant or pollutant that is outside the boundaries of a "covered location".

#### 2. Off-Site

##### (a) First Party Discovery

We will pay "cleanup costs" to the extent resulting from a "new pollution event" that migrates beyond the boundaries from a "covered location", if that "new pollution event" is first "discovered" during the "policy period" and the "discovery" is reported to us in writing during the "policy period" or any applicable extended reporting period.

##### (b) Third Party Liability

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "new pollution event" that migrates beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "cleanup costs" attributable to any irritant, contaminant or pollutant that is on, at or under a "covered location".

### COVERAGE D: BODILY INJURY OR PROPERTY DAMAGE – NEW POLLUTION EVENT

#### 1. On-Site

##### (a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

(i) sustained by a person while within the boundaries of a "covered location"; and

(ii) resulting from a "new pollution event" on, at or under such "covered location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

##### (b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

(i) to property within the boundaries of a "covered location"; and

(ii) resulting from a "new pollution event" on, at, or under such "covered location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as

provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" attributable to any irritant, contaminant or pollutant that is outside the boundaries of a "covered location".

#### 2. Off-Site

##### (a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

(i) sustained by a person while beyond the boundaries of a "covered location", and

(ii) resulting from a "new pollution event" that migrates beyond the boundaries from such "covered location"; provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

##### (b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

(i) to property beyond the boundaries of a "covered location"; and

(ii) resulting from a "new pollution event" that migrates beyond the boundaries from such "covered location"; provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" attributable to any irritant, contaminant or pollutant that is on, at or under a "covered location".

## II. DEFENCE

We shall have the right and duty to assume the adjustment, defence and settlement of any "claim" to which an insuring agreement specifically listed as provided in Item 5 of the Declarations applies. If permitted by applicable law "Claim expenses" reduce the applicable Limits of Liability set forth in Item 3 of the Declarations as described in LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI.).

If permitted by applicable law, we shall have the right to appoint one legal counsel to represent and/or defend one or more of the "insureds" who are or may be involved in a "claim" to which this insurance applies. In the event an "insured" is entitled by law to select independent counsel to represent and/or defend an "insured" at our expense, the lawyer's fees and all other litigation expenses we must pay to that counsel are limited to "reasonable legal costs". Furthermore, an "insured" may at any time waive any right it may have to select independent counsel.

Our duty to adjust, defend and settle any and all "claims", pending and future, to which an insuring agreement specifically listed as provided in Item 5 of the Declarations applies, ends when the remaining applicable Limits of Liability have been tendered into court or have been exhausted by payment of "cleanup costs", "loss" or "other loss".

## III. DEFINITIONS

A. "Bodily injury" means any physical injury, sickness, disease, mental anguish or emotional distress sustained by any person, including death resulting therefrom.

B. "Claim" means a written demand or written notice received by the "insured" alleging liability or responsibility on the part of the "insured". "Claim" does not include a "potential claim" that was reported in a prior policy period as described in CLAIM PROVISIONS (Section VII., B. NOTICE OF POTENTIAL CLAIM), that has become a "claim" during the "policy period".

C. "Claim expenses" means:

1. Fees charged by a lawyer designated by:

a. Us; or

b. The "insured" with our prior written consent, provided such fees are "reasonable legal costs"; and

2. All other fees, costs and expenses resulting from the

## Pollution Liability

adjustment, defence, settlement and appeal of a "claim" if incurred by us, or by or on behalf of the "insured" with our written consent, including interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay (including an offer of judgment), or deposited in court the amount available for the judgment under the policy.

"Claim expenses" does not include the salaries or expenses of regular employees of ours or the "insured".

### D. "Cleanup costs" means:

1. Reasonable and necessary costs, charges and expenses incurred in the investigation, removal, remediation (including associated monitoring), neutralisation or immobilisation of contaminated soil, surface water, groundwater, or other contamination including "emergency expense", but excluding any costs, charges or expenses:
  - (a) incurred by the "insured" to confirm "discovery" (except as specifically provided for in Section III. D.4. below); or
  - (b) to achieve regulatory standards at a "covered location" that are stricter than those necessary for the actual or intended use of such location as set forth in the Application or in the Schedule of Covered Locations endorsement.
2. Where real property or improvements thereto are damaged in the course of performing the activities described in Section III., D.1. above, the lesser of the actual cost to repair, or the actual cash value of, such real property or improvements (as determined based upon the condition of the property or improvements thereto immediately prior to such damage) but excluding any:
  - (a) damage caused by the underlying "pollution event"; or
  - (b) costs, charges or expenses for improvements or betterments, including, but not limited to, those arising from compliance with any law that was not applicable to (including by operation of any grandfather provision contained in any such law) or not enforced against the property before it was so damaged; and
3. "Claim expenses" in connection with a "claim" for "cleanup costs"; or
4. With respect to "discovery", only those "reasonable legal costs" incurred with our prior written consent.

"Cleanup costs" does not include "loss" for "property damage" or any other compensation for injury to or destruction of "natural resources".

- ### E. "Covered location" means, and is limited to, that property listed in the Schedule of Covered Locations endorsement to the extent therein specifically described, including, without limitation, by street address, lot and block reference, metes and bounds, or by a combination of these or any other substantially equivalent land description methods, current as of the effective date of coverage for any such property.
- ### F. "Delimitation date" means the date set forth in Item 6 of the Declarations or in the Schedule of Covered Locations endorsement as applicable.
- ### G. "Discovered" or "discovery" means discovery by a "responsible insured" of a "pollution event" in amounts or concentrations that exceed allowable levels or concentrations established under "governmental authority".
- ### H. "Emergency expense" means costs, charges and expenses incurred to avoid an actual imminent and substantial endangerment to the public health or welfare or the environment.
- ### I. "Existing pollution event" means a "pollution event" that commenced on or after the "retroactive date" and prior to the "delimitation date".
- ### J. "Fungus" or "fungi" means any:
1. Form or type of mould, mushroom or mildew,
  2. Other fungal structure, and
  3. Volatile organic compounds, mycotoxins, allergenic proteins or other substances or gases produced by or arising out of any mould, mushroom, mildew, fungal structure or "spores".
- ### K. "Governmental authority" means applicable federal, provincial, territorial, municipal, or local statutes, regulations, by-laws orders, directions, certificates of approval, or permits.
- ### L. "Insured" means:

1. The "named insured"; and
2. Any current or former principal, partner, officer, director, employee, member or manager (in the case of a limited liability company) or leased personnel of a "named insured", while acting within the scope of their employment or written agreement with such "named insured".

**M. "Insured contract"** means a contract or agreement listed in a Schedule of Insured Contracts endorsement to this policy, if any.

### N. "Loss" means:

1. Compensatory damages, whether awarded by a court in a judgment or paid in settlement for:
  - (a) "Bodily injury" which may include costs for medical monitoring but only when such medical monitoring is a direct result of physical injury; or
  - (b) "Property damage" which may include diminution in property value and stigma damage to property, but only when such diminution in value or stigma damage is a direct result of physical injury to such property; and
2. "Claim expenses" in connection with a "claim" for Section III., N.1.(a) and N.1.(b) above.

"Loss" does not include "other loss".

**O. "Microbial substance"** means any substance that reproduces through release of "spores" or the splitting of cells including but not limited to bacteria, viruses, "fungus(i)", protozoa, chlamydiae, or rickettsiae, whether or not the substance is living.

**P. "Named insured"** means the person or entity set forth in Item 1 of the Declarations, and any other person or entity listed in a Named Insured endorsement to the policy, if any.

**Q. "Natural resources"** means land, fish, wildlife, biota, air, water, ground water, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States, any State or local government, any foreign government, any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe.

**R. "New pollution event"** means a "pollution event" that first commences on or after the "delimitation date".

**S. "Other loss"** has the meaning given in a Choice Coverage endorsement to this policy, if any. "Other loss" does not include "loss".

**T. "Policy period"** means the period set forth in Item 2 of the Declarations or:

1. Any shorter period arising from:
  - (a) Cancellation or termination of this policy; or
  - (b) With respect to a specific "covered location" the deletion of such "covered location" from this policy by us upon the "named insured's" written request; or
2. As otherwise expressly provided in an endorsement.

**U. "Pollution event"** means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals, and waste into or upon land, or any structure on land, the atmosphere, or any watercourse or body of water including groundwater.

**V. "Potential claim"** means a "new pollution event" that an "insured" reasonably expects may result in a "claim".

**W. "Property damage" means:**

1. Physical injury to or destruction of tangible property including the resulting loss of use thereof; or
2. Loss of use of tangible property that has not been physically injured or destroyed.

Loss for "property damage" does not include "cleanup costs" or any other compensation for injury to or destruction of "natural resources".

**X. "Reasonable legal costs"** means legal fees, costs, charges, and all other litigation expenses in connection with the defence of a "claim" or negotiation of cleanup standards in connection with "discovery", limited to rates we actually pay to counsel we retain in the ordinary course of business in the defence of similar "claims" or negotiation of similar matters in the community where the "claim" arose or is being defended or the "discovery" was made or is being negotiated; provided that we shall pay

## Pollution Liability

such rates and amounts only to the extent that and so long as they are evidenced to be reasonable and necessary legal fees, costs, charges, and other litigation expenses. We may exercise the right to require that such counsel have certain minimum qualifications with respect to legal competency including experience in defending "claims" or negotiating in connection with a

"discovery" similar to the one pending against or involving an "insured" and to require such counsel to have errors and omissions insurance coverage. It is a condition precedent to our obligation to pay any "reasonable legal costs" that an "insured" agree and be responsible for counsel responding to our requests for information regarding the "claim", "discovery" or any other matter in a timely and comprehensive manner.

- Y. "Responsible insured"** means a "named insured's" principal, partner, director, officer, member or manager (in the case of a limited liability company), or employee with responsibility for compliance, environmental or legal affairs, or risk management.
- Z. "Retroactive date"** means the date set forth in Item 7 of the Declarations, or any applicable endorsement, which is the earliest date that a "pollution event" can commence for coverage to be provided under the policy. If no entry appears or the words NOT APPLICABLE or N/A appear in the corresponding space of Item 7 of the Declarations then a "retroactive date" shall not apply.
- AA. "Spore" or "spores"** means any reproductive body produced by or arising out of any "fungus(i)".
- BB. "Termination of coverage"** means, for the purpose of EXTENDED REPORTING PERIODS (Section V.), the effective date of:
1. Cancellation or nonrenewal of this policy by the "named insured", or cancellation or nonrenewal of this policy by us other than for fraud or material misrepresentation, change in use of, or operations conducted at, the "covered location", or nonpayment of premium; or
  2. Deletion of a "covered location" from this policy by us upon the "named insured's" written request but only with respect to such "covered location".
- CC. "Underground storage tank"** means any tank in existence at a "covered location" as of the inception date of the policy or installed thereafter, including associated underground piping connected thereto, that has at least ten (10) percent of its volume, or any associated piping, below the ground.

### IV. EXCLUSIONS

This insurance does not apply to "claims", "cleanup costs", "loss" or "other loss" based upon, arising out of, or to the extent comprised of:

**A. Asbestos and Lead**

Any asbestos-containing material or lead-based paint which are or were part of any fixtures, buildings or improvements on, at or under the "covered location". However, this exclusion does not apply to "cleanup costs" to the extent attributable to asbestos-containing materials or lead-based paint in the soil or groundwater.

**B. Contractual Liability**

Any liability assumed by an "insured" under any contract or agreement. However, this exclusion does not apply to liability:

1. For "cleanup costs", "loss", or "other loss" that would have attached to an "insured" by operation of law in the absence of such contract or agreement; or
2. That is specifically assumed in an "insured contract" but only to the extent that any indemnity or contractual liability assumed thereby is consistent with liability expressly covered under, and not otherwise excluded from coverage by, this policy.

**C. Financial Assurance**

Any obligation to demonstrate financial assurance or financial responsibility, or to meet any financial assurance or financial responsibility requirements under any federal, provincial, territorial or local law. However, this exclusion does not apply to any such obligation to the extent specifically provided in an endorsement to this policy, if any.

**D. Fines, Penalties and Punitive Damages**

Any fines, penalties, or punitive, exemplary or multiple damages.

**E. Known Pollution Event**

Any "pollution event" known to a "responsible insured" prior to the effective date of the applicable insuring agreement listed as provided in Item 5 of the Declarations of this policy, unless such "pollution event" was disclosed to us in writing and listed on a Known Pollution Event Schedule or Disclosed Documents endorsement and provided that such "pollution event" is not otherwise excluded under the policy.

**F. Known Underground Storage Tanks**

Any "underground storage tank", whether active, inactive or abandoned, known to any "responsible insured" unless listed on a Scheduled Underground Storage Tank endorsement to this policy, if any.

**G. Maintenance, Upgrades, Improvements or Installations**

Any costs, charges or expenses for maintenance, upgrade or improvement of, or installation of any control to, any property or processes on, at, within or under a "covered location" even if such maintenance, upgrade, improvement or installation is required:

1. By "governmental authority"; or
2. As a result of "cleanup costs", "loss" or "other loss" otherwise covered under the policy.

**H. Microbial Substance**

Any "microbial substance".

**I. Naturally Occurring Substance**

Any naturally occurring substance in its unaltered form, or altered solely through naturally occurring processes or phenomena. However, this exclusion does not apply to the extent that an "insured" demonstrates that the naturally occurring substance:

1. Exceeds amounts or concentrations naturally present on, at, under or surrounding the "covered location", and
2. Was the result of a discharge, dispersal, release or escape of such naturally occurring substance.

**J. Owned Property**

"Property damage" to property that is owned or rented by or leased to, the "insured".

**K. Related Persons and Organisations**

Any "claim" made:

1. By an "insured" against any other "insured"; or
2. Against an "insured" by an organization or individual:
  - a. That wholly or partially controls, owns, operates or manages an "insured"; or
  - b. That is wholly or partially controlled, owned, operated or managed by the "insured".

**L. War**

1. War, including undeclared or civil war;
2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
3. Insurrection, rebellion, revolution or usurped power, or action taken by any government, sovereign or other authority in hindering or defending against any of these.

**M. Wrongful Acts or Deliberate Non-Compliance**

Any:

1. Knowingly wrongful act, or
2. Deliberate non-compliance with any "governmental authority", administrative complaint, notice of violation, notice letter, or instruction of any governmental agency or body, by or at the direction of a "responsible insured".

**N. Workers' Compensation and Injury as a Consequence of Employment**

1. Any obligation of the "insured" that is owed, in whole or in part, under a workers compensation, disability benefits, employment insurance or any similar law;
2. Injury to any "insured" if such injury occurs during and in the

## Pollution Liability

course of employment;

3. Injury to the spouse, child, parent, brother or sister of any "insured" as a consequence of such "insured's" employment; or
4. Any obligation of an "insured" for indemnity or contribution to another because of "loss" or "other loss" arising out of such injury in the course of employment.

### V. EXTENDED REPORTING PERIODS

#### A. RENEWAL OF COVERAGE

Provided that the "named insured" has renewed this policy, the "named insured" shall be entitled to a provisional extended reporting period of sixty (60) days (at no additional charge) within which to report:

1. "Discovery" during the final thirty (30) days of the "policy period", such provisional extended reporting period to commence upon the date of "discovery"; or
2. A "claim" that is first made against the "insured" during the final thirty (30) days of the "policy period", such provisional extended reporting period to commence upon the date the "claim" is made against the "insured".

Any "discovery" or "claim" reported to us in writing during the provisional extended reporting period shall be deemed to have been made during the "policy period" and shall be subject to the remaining Limits of Liability for the "policy period", if any.

#### B. TERMINATION OF COVERAGE

Only with respect to "claims" seeking payment of "cleanup costs", "loss" or "other loss" to which an insuring agreement specifically listed as provided in Item 5 of the Declarations applies, the "named insured" shall be entitled to:

1. An automatic extended reporting period of sixty (60) days (at no additional charge) upon "termination of coverage".
2. Purchase an optional extended reporting period of up to three (3) years in duration commencing when the automatic extended reporting period ends, provided the "named insured":
  - (a) makes a written request to us for such optional extended reporting period within sixty (60) days after "termination of coverage"; and
  - (b) pays the additional premium when due. The charge for such optional extended reported shall not exceed one hundred percent (100%) of the total premium for the policy as set forth in Item 8 of the Declarations plus any additional premium described in an endorsement to the policy, if any.

At the commencement of any such optional extended reporting period, the entire premium shall be considered earned, and in the event the optional extended reporting period is terminated before its expiration for any reason, we shall not return any portion of the premium paid. If such additional premium is paid when due, the optional extended reporting period may not be cancelled by us, provided that all other terms and conditions of the policy are met.

3. Any "claim" first made against the "insured" and reported to us in writing during the automatic extended reporting period or, as applicable, the optional extended reporting period, shall be deemed to have been made and reported on the last day of the "policy period" and coverage shall apply under this policy provided that:
  - (a) The "pollution event" commenced on or after the "retroactive date" and before the end of the "policy period";
  - (b) The "named insured" has not purchased any other insurance to replace coverage provided by this policy; and
  - (c) The "claim" is otherwise covered under the terms and conditions of this policy; and
  - (d) The "cleanup costs", "loss" or "other loss" resulting from such "claim" will be subject to the remaining Limits of

Liability for this policy, if any; and

- (e) Notwithstanding CONDITIONS (Section VIII.), OTHER INSURANCE, and Section V., B.3 (b), above, the insurance provided for a "claim" first reported during the automatic extended reporting period or the optional extended reporting period is excess over any other valid and collectible insurance available under policies in force during the automatic or optional extended reporting periods.

### VI. LIMITS OF LIABILITY AND DEDUCTIBLE

#### A. EACH POLLUTION EVENT LIMIT

Subject to the Aggregate Policy Limit, the most we will pay for all "cleanup costs", "loss", or "other loss" arising out of the same, continuous or repeated "pollution event" or series of related "pollution events" is the Each Pollution Event Limit set forth in Item 3 of the Declarations.

We shall not be obligated to pay any "cleanup costs", "loss" or "other loss", or undertake or continue the defence of any "claim", pending or future, after the Each Pollution Event Limit has been tendered into court or exhausted by payments for "cleanup costs", "loss" or "other loss".

#### B. AGGREGATE POLICY LIMIT OF LIABILITY

The most we will pay for all "cleanup costs", "loss" and "other loss" to which this insurance applies is the Aggregate Policy Limit set forth in Item 3 of the Declarations.

#### C. SUB-LIMIT OF LIABILITY/AGGREGATE SUB-LIMIT

If a sub-limit of liability is shown in Item 5 of the Declarations corresponding with a specific insuring agreement or in an endorsement to this policy, then, subject to the Each Pollution Event Limit and Aggregate Policy Limit set forth in Item 3 of the Declarations and the corresponding Aggregate Sub-Limit, such sub-limit of liability is the most we will pay for all "cleanup costs", "loss" or "other loss" as applicable, arising from the same, continuous or repeated "pollution event" or series of related "pollution events" to which the specific insuring agreement or endorsement applies. The corresponding Aggregate Sub-Limit is the most we will pay for all "cleanup costs", "loss" or "other loss", as applicable, under the terms of the insuring agreement or endorsement to which that Aggregate Sub-Limit corresponds.

The sub-limit of liability is not in addition to and will erode the Each Pollution Event Limit and the Aggregate Policy Limit set forth in Item 3 of the Declarations. If the Each Pollution Event Limit and/or Aggregate Policy Limit has been reduced to an amount which is less than the sub-limit of liability corresponding with a specific insuring agreement or in an endorsement, the lesser of the remaining Aggregate Policy Limit or remaining Each Pollution Event Limit is the most that will be available for payment of "cleanup costs", "loss" or "other loss" as applicable, to which that insuring agreement or endorsement applies.

#### D. DEDUCTIBLE

We will pay "cleanup costs", "loss" or "other loss" to which this insurance applies in excess of the Deductible set forth in Item 4 or Item 5 (corresponding with an insuring agreement specifically listed as provided) of the Declarations or as set forth in an endorsement to this policy, if any. The Deductible is the "named insured's" obligation and applies to all "cleanup costs", "loss" and "other loss" arising from the same, continuous or repeated "pollution event" or series of related "pollution events". The Deductible does not erode the Limits of Liability. We may advance payment for "cleanup costs", "loss" or "other loss" within the Deductible. The "named insured" shall promptly reimburse us for advancing any element of such "cleanup costs", "loss" or "other loss" paid by us within the Deductible. If an "insured" agrees with us to use non-binding mediation to resolve a "claim" for which a defence has been provided and such "claim" is resolved thereby, the Deductible shall be reduced by 50% for that "claim" only, subject to a maximum reduction of \$25,000.

## Pollution Liability

### E. MULTIPLE INSURED OR CLAIMANTS, MULTIPLE COVERAGES, MULTIPLE POLICY PERIODS, CLAIMS ARISING FROM POTENTIAL CLAIMS, AND CLAIMS REPORTED IN THE EXTENDED REPORTING PERIOD

#### 1. MULTIPLE INSURED OR CLAIMANTS

The inclusion of more than one "insured" in the "discovery" of a "pollution event" or in the making of a "claim" regarding the same "pollution event" shall not increase the Limits of Liability set forth in Item 3 of the Declarations. Nor shall the "discovery" of a "pollution event" or the making of "claims" by more than one person or organization increase the Limits of Liability stated in the Declarations.

#### 2. MULTIPLE COVERAGES

If the same, continuous or repeated "pollution event" or series of related "pollution events" is covered under more than one insuring agreement specifically listed as provided in Item 5 of the Declarations, only a single Each Pollution Event Limit shall apply to all "cleanup costs", "loss" or "other loss" arising from such "pollution event" or series of related "pollution events". Furthermore, if more than one Deductible is applicable, only the highest Deductible shall apply to all "cleanup costs", "loss" or "other loss" arising from such "pollution event" or series of related "pollution events".

#### 3. MULTIPLE POLICY PERIODS

If we or an affiliate have issued pollution liability coverage to the "named insured" for the "covered location" in one or more consecutive and uninterrupted policy periods, and:

- (a) a "pollution event" or series of related "pollution events" that is first reported to us in accordance with all of the terms and conditions of this policy takes place over the "policy period" and one or more subsequent policy periods; and/or
- (b) a "claim" for "cleanup costs", "loss" or "other loss" is first made against the "insured" during the "policy period" and reported to us in accordance with all of the terms and conditions of this policy; and/or
- (c) a "pollution event" is first "discovered" during the "policy period" and reported to us in accordance with all of the terms and conditions of this policy;

all "claims", "cleanup costs", "loss" and "other loss" arising out of the same, continuous or repeated "pollution event" or series of related "pollution events" whether reported during the "policy period" or during a subsequent policy period shall be subject to the Limits of Liability and Deductible corresponding with this policy.

#### 4. CLAIMS ARISING FROM POTENTIAL CLAIMS

A "potential claim" which subsequently becomes a "claim" shall be subject to the Limits of Liability corresponding to the policy period in effect when the "potential claim" was reported to us in accordance with CLAIMS PROVISIONS (Section VII., Paragraph B. NOTICE OF POTENTIAL CLAIM).

#### 5. CLAIMS REPORTED IN THE EXTENDED REPORTING PERIOD

The extended reporting periods shall not serve to increase or reinstate the Limits of Liability set forth in Item 3 of the Declarations. The Limits of Liability shall be those that remain at the end of the "policy period".

### VII. CLAIM PROVISIONS

#### A. NOTICE OF DISCOVERY OR CLAIM

In the event of a "discovery" or "claim", the "insured" shall give written notice to us as soon as possible containing particulars sufficient to identify an "insured" and reasonably obtainable information including:

1. The time, place, location, and a detailed explanation of the "pollution event" including, as applicable, the date of

"discovery" or the date the "insured" received the "claim";

2. The names and addresses of any injured parties and available witnesses;
3. Any and all investigative or engineering reports, data or information about the "pollution event", "claim", "cleanup costs", "loss" or "other loss"; and
4. Any and all other relevant information about the "pollution event", "claim", "cleanup costs", "loss" or "other loss".

If a "claim" is made against an "insured", the "insured" shall immediately forward to us every demand, notice, summons, complaint, order or other process or legal papers received by an "insured" or its representatives.

#### B. NOTICE OF POTENTIAL CLAIM

If during the "policy period" the "insured" first becomes aware of a "potential claim", the "insured" may provide written notice to us containing particulars sufficient to identify an "insured" and providing all of the following information:

1. The cause of the "new pollution event" if known or suspected, including any potential cause;
2. The time, place, location, and details of the "new pollution event" including how and when the "insured" first became aware of the "potential claim";
3. The names and addresses of any actually or potentially injured parties or damaged property, and available witnesses, if and to the extent reasonably available;
4. Any and all investigative or engineering reports, data or information about the "potential claim", and any other information containing "cleanup costs", "loss" or "other loss" that may result; and
5. Any other relevant information about the "potential claim", "cleanup costs", "loss" or "other loss".

If all of the foregoing information is provided to us in writing during the "policy period" and the "potential claim" subsequently becomes a "claim" made against the "insured" and reported to us during any renewal policy, any applicable extended reporting period, or within five (5) years after the later of the end of any such policy or extended reporting period, such "claim" shall be deemed, for the purposes of this insurance, to have been made on the date on which written notice of the "potential claim" was first received by us and shall be subject to the terms, conditions and Limits of Liability applicable to the policy in effect as of such date.

We may elect to investigate any "potential claim" which is reported to us. Any costs associated with the investigation of a "potential claim" prior to a "claim" being made will not be considered "claim expenses". These costs shall not be applied towards reducing the applicable Deductible, and are in addition to the Limits of Liability and shall be borne by us.

#### C. NOTICE TO US

All "discovery", "claims" and "potential claims" shall be reported to us in writing at the address shown in Item 9 of the Declarations.

#### D. SETTLEMENT

The "insured" shall not settle any "claim" without our written consent. If we recommend a settlement, the "insured" shall have the opportunity to concur, such concurrence not to be unreasonably withheld or denied. If we recommend a settlement that is acceptable to a claimant for a total amount in excess of the applicable Deductible and the "insured" refuses to concur with such settlement, then our liability for "cleanup costs", "loss" and "other loss" shall be limited to that portion of the recommended settlement and the "claim expenses" incurred as of the date of the "insured's" refusal, which exceed the Deductible and fall within the Limit of Liability.

#### E. VOLUNTARY PAYMENTS, ADMISSIONS OR ASSUMPTIONS OF LIABILITY

No costs, charges or expenses shall be incurred or paid, or liability admitted or assumed, by an "insured" without our written consent, which shall not be unreasonably withheld, delayed or denied.

## Pollution Liability

Notwithstanding the foregoing, an "insured" may incur such "emergency expense" as reasonably necessary to prevent or mitigate "cleanup costs", "loss" or "other loss", provided the "insured" provides written notice to us within ninety-six (96) hours after such "emergency expense" is incurred.

### VIII. CONDITIONS

#### A. APPRAISAL

If we and the "insured" disagree as to the value of real property or improvements thereto in connection with "cleanup costs" (Section III. DEFINITIONS, paragraph D.2) or the amount of "other loss" for Coverages H, I, and J (only if specifically listed as provided in Item 5 of the Declarations), either party may make written demand for an appraisal of the value of the property or the amount of "cleanup costs" or "other loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "cleanup costs" or "other loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

Pay its chosen appraiser; and

1. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we retain our right to deny coverage for "cleanup costs" or "other loss" as applicable.

#### B. ASSIGNMENT

Assignment of interest under this policy shall not bind us unless and until our consent is endorsed thereon, which consent shall not be unreasonably withheld, delayed or denied.

#### C. AUDIT AND INSPECTION

We shall be permitted upon reasonable prior notice to audit the "insured's" books and records at any time during the "policy period" and within three (3) years after the final termination of this policy, as far as they relate to the subject matter of the policy and any "cleanup costs", "loss" or "other loss" for which payment may be made under the policy. We shall also be permitted, upon reasonable prior notice, to inspect, sample and monitor on a continuing basis any "covered location" and operations conducted thereon. Neither our right to make inspections, sample and monitor, nor the actual undertaking thereof, nor any report thereon shall constitute an undertaking, on behalf of us or others, to determine or warrant that a "covered location" or operation is safe, healthful or conforms to acceptable engineering practice or is in compliance with any law, rule or regulation. We will not manage or exercise control over any "covered location" or operation.

#### D. BANKRUPTCY

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations to an "insured" under this policy nor increase our obligations including, but not limited to, those with respect to any Deductible amount. However, if we have advanced any payment for "cleanup costs", "loss" or "other loss" within the Deductible pursuant to LIMITS OF LIABILITY AND DEDUCTIBLE (VI., paragraph D), then any such payments to the extent not reimbursed to us shall reduce the Limits of Liability. Furthermore, this condition shall not impair our ability to assert any defence on behalf of an "insured".

#### E. CANCELLATION

This policy may be cancelled by the "named insured" by surrender to us or by mailing to us written notice stating when thereafter cancellation shall be effective.

This policy may be cancelled by us by mailing to the "named insured" at the address set forth in Item 1 of the Declarations, a notice stating when thereafter such cancellation shall be effective. We may cancel this policy for the following reasons only:

1. Fraud or material misrepresentation;
2. Any "insured's" material failure to comply with the terms, conditions or contractual obligations under this policy including failure to pay the Deductible when due;

3. A material change in use of, or operations conducted at, any "covered location"; or

4. Nonpayment of premium.

The mailing of notice as aforesaid 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 of such written notice either by the "named insured" or by us shall be equivalent to mailing. Notice of pending cancellation will be provided not less than: (a) sixty (60) days prior to the effective date of cancellation for any "insured's" failure to comply with the terms, conditions or contractual obligations under this policy including failure to pay the Deductible when due, or change in use of, or operations conducted at the "covered location" that materially increases risks to which this insurance applies; (b) thirty (30) days prior to the effective date of cancellation for fraud or material misrepresentation; and (c) ten (10) days ((15) days in Quebec) prior to the effective date of cancellation for nonpayment of premium.

If we cancel, subject to any minimum earned premium that may apply, the return premium will be calculated on a pro rata basis. If the "named insured" cancels, subject to any minimum earned premium that may apply, there may be no return premium or the return premium may be less than pro rata.

#### F. CHANGES

The terms of this policy shall not be waived or changed, except by endorsement issued to form a part of this policy.

#### G. CHOICE OF LAW

In the event an "insured" and we dispute the meaning, interpretation or operation of any term, condition, definition or provision of this policy resulting in litigation, arbitration or other form of dispute resolution, the "insured" agrees with us that the law of the Province of Ontario shall apply without giving effect to any conflicts or choice of law principles. In the event the "insured" agrees with us to resolve the dispute by arbitration, any such arbitration shall be held in Toronto, Ontario in accordance with the Ontario Arbitration Act, 1991.

#### H. COOPERATION

The "insured" agrees with us to assist and cooperate in the fulfillment of the policy's terms, including the investigation, adjustment, defence or settlement of any "claim" or in connection with the "discovery" of any "pollution event". Such cooperation may include participating at meetings; testifying at hearings, depositions and trials; and securing evidence. The "insured" shall be allowed \$250 per day but no more than \$5,000 in total allowable expenses for compensation to its principals, partners, officers, directors, employees or members or managers for personally attending any such meetings, hearings or depositions at our request. These allowable expenses shall not reduce the applicable Limits of Liability and Deductible set forth in Item 3 of the Declarations.

In addition, all "insureds" shall cooperate with us in the pursuit of any coverage that may be available from other insurers and/or under other insurance policies for "claim expenses", "cleanup costs", "loss" or "other loss", covered under this policy.

#### I. DECLARATIONS

By acceptance of this policy, the "named insured" agrees that the statements in the Declarations, made during the application process and in the Application are its agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between the "named insured" and us relating to this insurance.

#### J. HEADINGS

The descriptions in the headings of this policy are solely for convenience and form no part of the policy terms and conditions.

#### K. OTHER INSURANCE

1. The insurance provided under this policy is primary insurance, except as otherwise provided in connection with any extended

## Pollution Liability

reporting period, or where stated in an endorsement to apply in excess of, or contingent upon the absence of, other insurance. When this insurance is primary and the "insured" has other insurance which is stated to be applicable to the "cleanup costs", "loss" or "other loss" on an excess basis, the amount of our liability under this policy shall not be reduced by the existence of such excess insurance.

2. When this insurance is excess, we shall have no duty to defend the "insured" against any "claim" if any other insurer has a duty to defend the "insured" against such "claim". 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 "cleanup costs", "loss" or "other loss" if any, that exceeds the sum of:
  - a. The total amount that all such other insurance would pay for the "cleanup costs", "loss" or "other loss" in the absence of this insurance; and
  - b. The total of all deductible and self-insured amounts under all that other insurance.
3. When both this insurance and other insurance apply to the "cleanup costs", "loss" or "other loss" on the same basis, whether primary, excess or contingent, we shall not be liable under this policy for a greater proportion of the "cleanup costs", "loss" or "other loss" than the amount set forth in Item 3 of the Declarations or the amount resulting from the following contribution methods, whichever is lesser:
  - a. Contribution by equal shares - Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the "cleanup costs", "loss" or "other loss" remains, whichever occurs first; or
  - b. Contribution by limits - 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.

### L. SEPARATION OF INSUREDS

Except with respect to the Limits of Liability and any rights and duties specifically assigned to the "named insured" set forth in Item 1 of the Declarations, this insurance applies:

1. As if each "named insured" were the only "named insured"; and
2. Separately to each "insured" against whom a "claim" is made.

Misrepresentation, concealment, breach of condition or violation of any duty under this policy by one "insured" shall not prejudice the interest of coverage for another "insured" under this policy, except where an "insured" is a parent, subsidiary, or affiliate of the "named insured" set forth in Item 1 of the Declarations. For purposes of the immediately preceding sentence, an "affiliate" is any company or entity that is in control of, controlled by, or under common control with the "named insured". "Control" (including the terms "controlled by" and "under common control with") as used herein includes, but is not limited to, the possession, directly or indirectly and whether acting alone or in conjunction with others, of the authority to direct or cause the direction of the management or policies of a company or entity. A voting interest of twenty five percent (25%) or more creates a rebuttable presumption of control.

### M. SOLE AGENT

The "named insured" set forth in Item 1 of the Declarations shall act on behalf of all "insureds" for all purposes, including but not limited to the payment of Deductible, payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this policy, giving and receiving notice of cancellation or nonrenewal, and the exercise of the rights provided in EXTENDED REPORTING PERIODS (Section V.)

### N. SUBROGATION

In the event of any payment under this policy, we shall be subrogated to all of an "insured's" rights of recovery against any person or organization, including any rights to contribution from any other insurer. An "insured" shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. No "insured" shall do anything to impair, prejudice or waive such rights.

Any recovery obtained through subrogation, after expenses incurred in such subrogation are deducted by the party bearing the expense, shall be applied proportionately to the "insured" and us for actual payments as a result of judgment, settlement or defence of a "claim", or "cleanup costs" with respect to the "discovery" of a "pollution event".

#### Endorsement #1

##### Schedule of Covered Locations with Material Change in Use/Operations

##### Exclusion

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

FORM# STF-EPC-143-A CW (11/07)

This endorsement modifies insurance provided under the following:

#### Z Choice Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following are "covered location(s)" for purposes of Section III. Definitions, paragraph E.:

All locations as scheduled in the final bordereau submitted for the month of September, 2017.  
Use Description: Residential  
Retroactive Date: N/A  
Delimitation Date: Dept 1, 2010

It is further agreed that the following is added to Section IV (Exclusions):

Material Change in Use or Operations

Any material change in the use of, or operations conducted at, a "covered location" from that which was disclosed in the Application or listed on this Schedule of Covered Locations endorsement. However, this exclusion does not apply to a specific change in use of, or operations conducted at, a "covered location" to which we have expressly given our prior written consent.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

#### Endorsement #2

##### Nuclear Exclusion

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

FORM# STF-EPC-A-CW (11/07)

This endorsement modifies insurance provided under the following:

#### Z Choice Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following is added to EXCLUSIONS (Section IV.):



## Pollution Liability

### Nuclear

1. Any coverage for "cleanup costs," or "loss", "natural resource damages" or "other loss" and including any applicable "claim expenses."
  - a. With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any liability coverage, "cleanup costs," "loss", "natural resource damages" or "other loss" including any applicable "claim expenses" resulting from "hazardous properties" of "nuclear material," if:
  - a. The "nuclear material" (i) is at any "nuclear facility" owned by or operated by or on behalf of, an "insured" or (ii) has been discharged or dispersed there from;
  - b. The "nuclear material" is contained in "spent fuel," or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
  - c. The "cleanup costs," "loss," "bodily injury" or "property damage" arises out of 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," but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this exclusion:

**"Hazardous properties"** includes radioactive, toxic or explosive properties.

**"Nuclear material"** means "source material," "special nuclear material" or "by-product material."

**"Source material," "special nuclear material,"** and **"by-product material"** have the meanings given them in the Atomic Energy act of 1954 or in any law amendatory thereof.

**"Spent fuel"** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

**"Waste"** means any waste matter (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

**"Nuclear facility"** means:

- a. Any "nuclear reactor";
- b. Any equipment or device designed or used for (1)

- (2) processing or utilizing "spent fuel," or (3) handling, processing or packaging "waste";
- c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" 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";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

**"Nuclear reactor"** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. "Property damage" for the purposes of this endorsement, includes all forms of radioactive contamination of property.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #3

#### Terrorism Exclusion

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-181-A CW (7/08)**

This endorsement modifies insurance provided under the following:

#### **Z Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that:

- I. EXCLUSIONS (Section IV.) is amended to include the following:

#### **Terrorist Act**

Any "terrorist act", or any activity or decision of a governmental agency or other entity to prevent, respond to or terminate any "terrorist act". Coverage for any "claims", "cleanup costs", "loss" or "other loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "claims", "cleanup costs", "loss" or "other loss".

- II. DEFINITIONS (Section III.) is amended to include the following:

**"Terrorist act"** means any act against any person, tangible or intangible property, or infrastructure that:

1. Is determined by governmental agency or other entity to be an act of terrorism; or
2. We reasonably determine to be:
  - a. In furtherance of political, religious, ideological or cultural objectives; and
  - b. Committed for the purpose of:
    - (1) Intimidating, coercing or punishing a civilian population or a segment thereof or its government;
    - (2) Influencing the policy of a government by intimidation or coercion; or
    - (3) Disrupting any segment of a national economy.
3. Terrorism does not include "vandalism".

**"Vandalism"** means willful and malicious damage to or destruction of property, which is not committed for the purpose of:

## Pollution Liability

1. Intimidating, coercing or punishing a civilian population or a segment thereof or its government;
2. Influencing the policy of a government by intimidation or coercion; or
3. Disrupting any segment of a national economy.

III. As used in this Endorsement the word "act" includes any preparation for or attempt to commit such act.

All other terms and conditions of the policy shall apply and remain unchanged.

### Endorsement #4

#### Amendment of Cancellation

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-119-A CW (11/07)**

This endorsement modifies insurance provided under the following:

#### **Z Choice Pollution Liability Insurance – Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that CONDITIONS (Section VIII), Condition E., is deleted and replaced with the following:

#### **E. CANCELLATION**

This policy may be canceled by the "named insured" by surrender to us or by mailing to us written notice stating when thereafter cancellation shall be effective.

This policy may be canceled by us by mailing to the "named insured" at the address set out in Item 1 of the Declarations, a notice stating when thereafter such cancellation shall be effective. We may cancel this policy for the following reasons only:

5. Fraud or material misrepresentation;
6. Any "insured's" material failure to comply with the terms, conditions or contractual obligations under this policy including failure to pay the Deductible when due;
7. A material change in use of or operations conducted at any "covered location;" or
8. Nonpayment of premium.

The mailing of notice as aforesaid 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 of such written notice either by the "named insured" or by us shall be equivalent to mailing. Notice of pending cancellation will be Provided not less than: (a) ninety (90) days for any "insured's" failure to comply with the terms, conditions or contractual obligations under this policy including failure to pay the Deductible when due, or change in use of, or operations conducted at the "covered location" that materially increases risks to which this insurance applies; (b) thirty (30) days for fraud or material misrepresentation; and (c) ten (10) days for nonpayment of premium.

If we cancel, subject to any minimum earned premium that may apply, the return premium will be calculated on a pro rata basis. If the "named insured" cancels, subject to any minimum earned premium that may apply, there may be no return premium or the return premium may be less than pro rata.

All other terms, exclusions, and conditions of the policy apply and remain unchanged

### Endorsement #5

#### Additional Named Insured

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT**

Claims Made (Form ZC 5558 U (01/09))

**CAREFULLY.**

**FORM # STF-EPC-115-A CW (03/08)**

This endorsement modifies insurance provided under the following:

#### **Z Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that the person(s) or entity(s) listed below is(are) a "named insured" pursuant to DEFINITIONS, Section III., paragraph P. Named Insured:

#### Named Insured:

All strata and apartment owners as shown of the final bordereau for this policy.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #6

#### **Z Choice Coverage E: Natural Resource Damages**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-198-A CW (01/09)**

This endorsement modifies insurance provided under the following:

#### **Z Choice™ Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following modifications shall apply to the policy solely with respect to coverage provided by this endorsement and only for the "covered locations" scheduled above.

- I. INSURING AGREEMENTS (Section I.) is amended to include the following BUT ONLY IF AND TO THE EXTENT COVERAGE E IS SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS:

#### **COVERAGE E: INJURY TO OR DESTRUCTION OF NATURAL RESOURCES**

##### 1. Existing Pollution Event

We will pay "other loss" that an "insured" is legally obligated to pay as a result of a "claim" for injury to or destruction of "natural resources" resulting from an "existing pollution event" on, at, under or that migrates beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

##### 2. New Pollution Event

We will pay "other loss" that an "insured" is legally obligated to pay as a result of a "claim" for injury to or destruction of "natural resources" resulting from a "new pollution event" on, at, under or that migrates beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

- II. The following are added to DEFINITIONS (Section III) solely with respect to coverage provided by this endorsement:

"Other loss" means the sum of:

1. Reasonable and necessary direct costs, including such



## Pollution Liability

costs of assessment associated with action necessary to restore the "natural resources" to their baseline condition as they existed prior to the "pollution event"; and

2. The "use value" between the time of a "pollution event" and restoration of the "natural resources" to the extent injured by the "pollution event"; and
3. "Claim expenses" incurred in connection with a "claim" for injury to or destruction of "natural resources".

"Other loss" does not include "cleanup costs" or "loss".

"Use value" means the value of the "natural resources" to the public attributable to the direct use of the services provided by such "natural resources", provided, however, that no aesthetic or historic use shall be considered in the determination of such value.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #7

#### **Z Choice Coverage F: NON-OWNED LOCATIONS (BLANKET)** **THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

FORM # STF-EPC-192-A CW (11/08)

This endorsement modifies insurance provided under the following:

#### **Z Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following changes are made to the policy solely with respect to coverage under this endorsement and solely with respect to waste and/or materials generated at the following "covered locations" and subject to any applicable "retroactive date":

- I. INSURING AGREEMENTS (Section I.), is amended to include the following BUT ONLY IF AND TO THE EXTENT COVERAGE F IS SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS

#### **COVERAGE F: NON-OWNED LOCATIONS**

##### 1. On-Site

###### (a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

- (i) sustained by a "third party" while within the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" on, at or under such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

###### (b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

- (i) to "third party" property within the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" on, at or under such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting

period.

###### (c) Third Party Cleanup Costs

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "pollution event" on, at, or under a "non-owned location", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" or "cleanup costs" attributable to any irritant, contaminant or pollutant that is outside the boundaries of a "non-owned location".

##### 2. Off-Site

###### (a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

- (i) sustained by a "third party" while beyond the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" that migrates beyond the boundaries from such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

###### (b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

- (i) to "third party" property beyond the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" that is migrating beyond the boundaries from such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

###### (c) Third Party Cleanup Costs

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "pollution event" that migrates beyond the boundaries from a "non-owned location" provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" or "cleanup costs" attributable to any irritant, contaminant or pollutant that is on, at or under a "non-owned location".

- II. The following are added to DEFINITIONS (Section III.) solely with respect to coverage provided by this endorsement:

**"Non-owned location"** means any location that is neither owned nor operated by the "insured" or any subsidiary or affiliate company of an "insured" provided that such location is:

1. Licensed and/or certified by "governmental authority" to accept waste, products and/or materials generated from a "covered location" scheduled in this endorsement; and
2. Not listed on the CERCLA Information System (CERCLIS) as defined in the Code of Federal Regulations, 40 CFR Part 300.5 (revised as of March 1, 2000) or any state or local equivalent.

**"Third party"** means any person or entity other than an owner, operator,

## Pollution Liability

contractor or sub-contractor of the "non-owned location" or their employees.

- III. The following is added to Section IV. EXCLUSIONS solely with respect to coverage provided by this endorsement:

### Products Liability

Goods or products designed, manufactured, sold, handled, distributed, or supplied by the "insured" or by others trading under their name or under license from the "insured".

- IV. CONDITIONS (Section VIII.), Condition K., Other Insurance, is replaced with the following solely with respect to coverage provided by this endorsement:

**K. OTHER INSURANCE** - When other insurance is available to the "insured" for "loss" or "cleanup costs" under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. Notwithstanding the foregoing, this excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend but shall not apply as primary insurance to the "insured" while acting as a self-insured for any coverage.
2. Where this insurance is excess insurance, we will pay only our share of the amount of "loss" or "cleanup costs" if any, that exceeds the total amount of all such valid and collectible insurance.  
The "insured" shall promptly, upon our request, provide us with copies of all policies potentially applicable to liability covered by this endorsement.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #8

#### **Z Choice Coverage G: TRANSPORTATION OF MATERIALS (Third Party Carrier)**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-106-A CW (11/07)**

This endorsement modifies insurance provided under the following:

#### **Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following changes are made to the policy solely with respect to coverage provided by this endorsement:

- I. INSURING AGREEMENTS (Section I.) is amended to include the following BUT ONLY IF AND TO THE EXTENT COVERAGE G IS SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS

#### **COVERAGE G: TRANSPORTATION OF MATERIALS**

1. **Bodily Injury**  
We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury" sustained by a "third party" resulting from a "pollution event" that happens in the course of "transportation", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us

in writing during the "policy period" or any applicable extended reporting period.

2. **Property Damage**

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage" to "third party" property resulting from a "pollution event" that happens in the course of "transportation", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

3. **Cleanup Costs**

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "pollution event" that happens in the course of "transportation", provided the "claim" is first made against the "insured" during the "policy period", and further provided the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

- II. The following are added to DEFINITIONS (Section III.) solely with respect to coverage provided by this endorsement:

**"Automobile"** means a land motor vehicle, trailer or semi-trailer designated for travel on public roads including any machinery or apparatus attached thereto.

**"Carrier"** means any properly licensed person or entity that, pursuant to written contract with the "insured", "transports" "materials" by "automobile", aircraft, "vessel" or rolling stock.

**"Material"** means an "insured's" goods, products or waste, including oil, petroleum, pesticide products, and materials to be recycled, reconditioned or reclaimed.

**"Third party"** means any person or entity other than a "carrier" or an employee, contract employee or lease personnel of such "carrier".

**"Transportation"** or **"transport"** means the movement of "material" commencing with the loading of such "material" to the physical possession of the "carrier" onto an "automobile", aircraft, "vessel" or rolling stock and ends when the unloading of the "materials" in the physical possession of the "carrier" from the "automobile", aircraft, "vessel" or rolling stock is complete.

**"Vessel"** means any watercraft used or capable of being used on water, whether self-propelled or otherwise, and includes barges and tugs.

- III. The following is added to EXCLUSIONS (Section IV.) solely with respect to coverage provided by this endorsement:

#### **Erroneous Delivery**

The erroneous delivery of:

1. any "materials" into the wrong receptacle or to the wrong address; or
2. the wrong type of "material".

- IV. CONDITIONS (Section VIII.), Condition KL., Other Insurance, is replaced with the following solely with respect to coverage provided by this endorsement:

**K. OTHER INSURANCE** - When other insurance is available to the "insured" for "loss" or "cleanup costs" covered under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. Notwithstanding the foregoing, this excess insurance shall operate as primary insurance only in the event of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to

## Pollution Liability

indemnify and the duty to defend but shall not apply as primary insurance to the "insured" while acting as a self-insured for any coverage.

- Where this insurance is excess insurance, we will pay only our share of the amount of "loss" or "cleanup costs", if any, that exceeds the total amount of all such valid and collectible insurance.

Upon our request, an "insured" shall promptly provide us with copies of all policies potentially applicable to liability covered by this endorsement.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #9

#### **Z Choice Coverage I: SUSPENSION OF TENANT OCCUPANCY - LOSS OF RENTAL VALUE**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-108-B CW (12/08)**

This endorsement modifies insurance provided under the following:

#### **Z Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in and upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following modifications shall apply to the policy solely with respect to coverage provided by this endorsement and only for the "covered locations" scheduled above.

- INSURING AGREEMENTS (Section I.) is amended to include the following BUT ONLY IF AND TO THE EXTENT COVERAGE I IS SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS:

#### **COVERAGE I: SUSPENSION OF TENANT OCCUPANCY**

##### 1. Existing Pollution Events

We will pay "other loss" to the extent resulting from an "existing pollution event" on, at or under a "covered location" which is covered under Section I. INSURING AGREEMENTS, Coverage A.1(a) or (b), if that "existing pollution event":

- Is first "discovered" during the "policy period"; and
- Directly causes a "suspension of tenant occupancy" at such "covered location" during the "policy period";

provided the "suspension of tenant occupancy" is reported to us in writing during the "policy period" or any applicable extended reporting period.

##### 2. New Pollution Events

We will pay "other loss" to the extent resulting from a "new pollution event" on, at, or under a "covered location" which is covered under Section I. INSURING AGREEMENTS, Coverage C.1(a) or (b) if that "new pollution event":

- Is first "discovered" during the "policy period"; and
- Directly causes a "suspension of tenant occupancy", at such "covered location" during the "policy period";

provided the "suspension of tenant occupancy" is reported to us in writing during the "policy period" or any applicable extended reporting period.

- The following are added to DEFINITIONS (Section III) solely with respect to coverage provided by this endorsement:

**"Cleanup"** means those activities necessary to investigate, remove, remediate, neutralize or immobilize contaminated soil, surface water,

groundwater, or other contamination to the extent required by "governmental authority".

**"Loss of rental value"** means:

- The sum of the following:
  - total anticipated rental income of the leased premises that the "named insured" would have received had there been no "suspension of tenant occupancy" as described in the written leases executed and in force when the "pollution event" is first "discovered" at the "covered location", as furnished and equipped by such "named insured", less any necessary operating expenses for the leased premises; and
  - amount of all charges to the "named insured" which are the legal obligation of the existing "tenant" whose occupancy is suspended and which would otherwise be the "named insured's" obligation; and
  - fair rental value of any portion of the "covered location" which, but for the "suspension of tenant occupancy", would have been occupied by the "named insured";
- Less rental income actually received from any partial or complete rental of the leased premises; and
- In determining "loss of rental value":
  - The "named insured" shall have a duty to provide alternative leased premises at the "covered location" to any "tenant" who experiences a "suspension of tenant occupancy" within a reasonable time thereafter. "Loss of rental value" shall not include any amount of rental income that is lost because alternative leased premises are not provided by the "named insured", except to the extent that the fair market value of the alternative premises provided is less than the premises originally leased by the "tenant".
  - If the "suspension of tenant occupancy" results in part from any other cause other than a "pollution event" that is covered under the policy and this endorsement. In such case our obligation is limited to that portion of "loss of rental value" we reasonably deem attributable to the "pollution event" that is covered under this policy.

**"Other loss"** means "loss of rental value" and "reasonable and necessary expenses" sustained by the "named insured" during the "period of indemnity".

**"Period of indemnity"** means the period of time commencing at the conclusion of the "waiting period" and extending until the earlier to occur of:

- The expiration of the corresponding period of days in Item 3 of the Declarations as stated below in this endorsement, or
- The date on which the "cleanup" is complete and "tenants" can have physical access to the leased premises at the "covered location" and resume their tenancy excluding any period of time attributable to:
  - The enforcement of any ordinance or law regulating the construction, use or repair, or requiring the demolition, of any property; or
  - Work stoppage, boycott or strike by employees of the "named insured", "tenants" or others; or
- Exhaustion of the applicable Limits of Liability.

The "period of indemnity" shall not be limited by the expiration of the policy.

**"Reasonable and necessary expenses"** means expenses necessarily and reasonably incurred to reduce "loss of rental value" including, but not limited to, expenses incurred in relocating "tenants", to the extent such expenses do not exceed the amount of "loss of rental value" that otherwise would have been payable had there been no "suspension of tenant occupancy".

**"Suspension of tenant occupancy"** means the necessary suspension

## Pollution Liability

of an existing "tenant's" right to physical access or enjoyment of substantially all rights to leased premises at a "covered location" as a direct result of "cleanup" required by "governmental authority". "Suspension of tenant occupancy" does not include restricted access that hinders, but does not prevent, a "tenant" from accessing rental premises unless such restricted access renders the "tenant" unable to enjoy substantially all leased rights.

"Tenant" means the entity or individual who has leased premises at a "covered location" as described in a written lease agreement with the "named insured" where that written lease is in effect when the "pollution event" is first "discovered" at a "covered location".

"Waiting period" means the corresponding number of days in Item 3 of the Declarations as stated below in this endorsement, beginning with the date the "named insured" provides written notice to us of a "suspension of tenant occupancy".

- III. Item 3., Limits of Liability of the Declarations is amended to add the following solely with respect to coverage provided by this endorsement:

**Item 3: Limits of Liability:** 90 Days Period of Indemnity  
5 Days Waiting Period

- IV. The following is added to CLAIM PROVISIONS (Section VI.) solely with respect to coverage provided by this endorsement:

### NOTICE OF SUSPENSION

In the event of a "suspension of tenant occupancy", the "named insured" shall:

1. Give written notice to us as soon as possible, including a description of how, when and where the "suspension of tenant occupancy" occurred, a list of all "tenants" affected by the "suspension of tenant occupancy", and an itemization of "other loss"; and
2. Keep written records of all expenditures, and copies of all bills, invoices, deeds, leases, contracts and any other sources of information relevant to "other loss" sustained in connection with the "suspension of tenant occupancy"; and
3. Send us a signed, sworn proof of loss of "loss of rental value" containing the information we request to investigate the "suspension of tenant occupancy" within sixty (60) days after our request, and allow us to examine the "named insured" and any other "insured" under oath and at such times as we may reasonably require, about any matter relating to "loss of rental value" including such "named insured" or any other "insured's" books and records. In the event of an examination, the "named insured" or other "insured's" answers must be signed.

- V. **CONDITIONS** (Section VIII.), Condition K., **OTHER INSURANCE** is replaced with the following solely with respect to coverage provided by this endorsement:

**K. OTHER INSURANCE** - When other insurance is available to the "insured" for "other loss" under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. Notwithstanding the foregoing, this excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend but shall not apply as primary insurance to the "insured" while acting as a self-insured for any coverage.
2. Where this insurance is excess insurance, we will pay only our share of the amount of "other loss", if any, that exceeds the total amount of all such valid and collectible insurance.

Upon our request, the "insured" shall promptly provide us with copies of all policies potentially applicable to liability covered by this

Claims Made (Form ZC 5558 U (01/09))

endorsement.

- VI. The following are added to **CONDITIONS** (Section VIII.) solely with respect to coverage provided by this endorsement:

### MITIGATION

In the event of a "suspension of occupancy", the "insured" must act in good faith to:

1. Take steps to mitigate "actual loss of rental value" including taking prompt and reasonable steps to relocate "tenants" where reasonably and economically feasible; and
2. Diligently execute and complete the "cleanup" to the extent such "cleanup" is within the "insured's" control.

### NO SUSPENSION OF OCCUPANCY

It is a condition precedent to coverage that there is no "suspension of tenant occupancy" at the "covered location" at the time of "discovery" of a "pollution event" to which this endorsement applies.

### RECONCILIATION

In the event we pay "other loss" to which this endorsement applies, we shall have the right but not the obligation to conduct an audit of the "named insured's" records to confirm the amount of "loss of rental value" and "reasonable and necessary expenses" as defined by this endorsement. In the event that covered "other loss" as determined by the audit is less than or exceeds the sum paid by us for such "other loss", the difference between the two amounts shall be paid by or to us applicable.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #10

#### Z Choice Coverage Q: Crisis Management Expense

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

#### Z Choice® Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in and upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following modifications shall apply to the policy:

- I. Item 3. of the Declarations is amended to include the following:  
**Item 3. Limits of Liability:** \$50,000 Crisis Management Expense Aggregate Limit
- II. Item 5 of the Declarations shall be amended to include the following:  
Insuring Agreement: Coverage Q: Crisis Management Expense  
Provided: Yes  
Sub-Limit/Aggregate: \$50,000  
Separate Deductible: N/A
- III. INSURING AGREEMENTS (Section I.) is amended to include the following:

#### COVERAGE Q: CRISIS MANAGEMENT EXPENSE

We will pay "crisis management expense" in response to a "pollution event" at, on or under a "covered location" that the "named insured" reasonably expects could give rise to "loss" or "cleanup costs" under the policy and subjects the "named insured" to significant adverse regional or national media attention. "Crisis management expense" must be first incurred by the "insured" during the "policy period".

- IV. The following is added to DEFINITIONS (Section III) solely with respect to



## Pollution Liability

coverage provided by this endorsement:

"Crisis management expense" means reasonable and necessary costs, charges, expenses and fees that are incurred by an "insured":

1. To retain a public relations or crisis management firm with our consent which shall not be unreasonably withheld, to help maintain or restore public confidence in the "named insured";
2. For essential emergency travel expenses incurred by a "named insured's" principals, partners, directors or employees;
3. For rental of temporary staging or meeting space necessitated by the unavailability of the "named insured's" space as a result of the "pollution event";
4. For any other services or activities for which we have given our prior written consent.

**V. EXCLUSIONS (Section IV) is amended to delete the lead in sentence and replace it with the following:**

This insurance does not apply to "claims", "cleanup costs", "loss", "natural resource damages", "other loss" or "crisis management expenses" based upon, arising out of, or to the extent comprised of:

**VI. LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI.) is amended to include the following:**

**F. CRISIS MANAGEMENT LIMIT**

The most we will pay for all "crisis management expense" to which this insurance applies is the Crisis Management Expense Aggregate Limit set forth in Item 3 of the Declarations. The Crisis Management Expense Aggregate Limit does not reduce or exhaust any other Limit of Liability.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

**Endorsement #11**

**Fines & Penalties Endorsement**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-187-A CW (11/07)**

This endorsement modifies insurance provided under the following:

**Z Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that EXCLUSIONS (Section IV.) paragraph D. Fines, Penalties and Punitive Damages is deleted and replaced as follows:

**D. Fines, Penalties and Punitive Damages**

Any fines, penalties, or punitive, exemplary or multiple damages. However, this exclusion does not apply to civil fines or penalties, or to punitive, exemplary or multiple damages to the extent such damages:

1. Are insurable by law, and
2. Result from a "claim" wherein we are obligated to pay "loss" under the terms and conditions of the policy.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

**Endorsement #12**

**Related Persons or Organizations Exclusion Deletion**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

Claims Made (Form ZC 5558 U (01/09)

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

**Z Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the self-insured retention by the "named insured and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that EXCLUSIONS (Section IV), paragraph K. Related Persons or Organizations is deleted in its entirety.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

**Endorsement #13**

**Deletion of Optional Extended Reporting Period**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

**Z Choice Pollution Liability Insurance – Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that EXTENDED REPORTING PERIODS (Section V), Paragraph B. Termination of Coverage, is deleted and replaced with the following:

**B. TERMINATION OF COVERAGE**

Only with respect to "claims" seeking payment of "cleanup costs", "loss" or "other loss" to which an insuring agreement specifically listed as provided in Item 5 of the Declarations applies, the "named insured" shall be entitled to an automatic extended reporting period of sixty (60) days (at no additional charge) upon "termination of coverage".

Any "claim" first made against the "insured" and reported to us in writing during the automatic extended reporting period shall be deemed to have been made and reported on the last day of the "policy period" and coverage shall apply under this policy provided that:

- a. The "pollution event" commenced on or after the "retroactive date" and before the end of the "policy period";
- b. The "named insured" has not purchased any other insurance to replace coverage provided by this policy; and
- c. The "claim" is otherwise covered under the terms and conditions of this policy; and
- d. The "cleanup costs", "loss" or "other loss" resulting from such "claim" will be subject to the remaining Limits of Liability for this policy, if any; and
- e. Notwithstanding CONDITIONS (Section VIII.), OTHER INSURANCE, and Section V., B. (b), above, the insurance provided for a "claim" first reported during the automatic extended reporting period is excess over any other valid and collectible insurance available under policies in force during the automatic extended reporting periods.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.



## Pollution Liability

### Endorsement # 14

#### Pollution Even Definition

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

#### **Z Choice Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that DEFINITIONS, Section III., paragraph v. "pollution event" is deleted and replaced with the following:

- V. "Pollution event" means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including smoke, vapor, soot, fumes, acids, alkalis, toxic or hazardous substances, electromagnetic fields, chemicals, waste (including medical, infectious and pathological waste), and low level radioactive waste and materials, into or upon land, or any structure on land, the atmosphere, or any watercourse or body of water including groundwater in concentrations or at levels in excess of those naturally present in the environment. "Pollution event" includes the illicit abandonment of any irritant, contaminant or pollutants at a "covered location" provided that such abandonment was committed by parties other than the "insured" and without the knowledge of a "responsible insured".

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #15

#### Shared Limits of Liability

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

#### **Z Choice® Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that the following is added to CONDITIONS (Section VIII):

#### **SHARED LIMITS OF LIABILITY**

The "named insured" set forth in Item 1 of the Declarations, on behalf of all other "named insureds" and "insureds", understands, agrees, and acknowledges that the policy contains an Aggregate Policy Limit that is applicable to, and will be shared by, all "named insureds" and "insureds" who are or may become insured under this Policy. As such, it is understood and agreed that the Aggregate Policy Limit may be exhausted or reduced by payments we have made or will make on behalf of other "named insureds" or "insureds" during the "policy period". Furthermore, we shall have no obligation to notify any "insured" of the exhaustion or reduction of the Aggregate Policy Limit unless and until such "insured" submits a "claim".

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

Claims Made (Form ZC 5558 U (01/09))

### Endorsement # 16

#### Policy Period Amendment

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

#### **Z Choice® Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that Item 2. Policy Period of the Declarations is deleted in its entirety and replaced with the following:

- Item 2. Policy Period:** For each location listed in the bordereau of locations added to the Policy by endorsement on or after 12:00 A.M. local time, September 01, 2017 and prior to 12:01A.M. local time, September 01, 2017:  
**From:** The effective date for such location as set forth in the bordereau  
**TO:** The date that is three hundred and sixty five (365) days following such effective date

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #17

#### Bodily Injury Definition

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

#### **Z Choice® Pollution Liability - Claims Made and Reported Coverage**

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that DEFINITIONS, Section III., paragraph a. "bodily injury" is deleted and replaced with the following:

- A. "Bodily injury" means any physical injury, sickness, disease, mental anguish, shock, or emotional distress sustained by any person, including death resulting there from.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### Endorsement #18

#### Subsurface Activities Exclusion- Cleanup Costs and Natural Resource Damages

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FORM # STF-EPC-MAN-A CW (07/10)**

This endorsement modifies insurance provided under the following:

#### **Z Choice® Pollution Liability- Claims Made and Reported Coverage**

Solely with respect to Insuring agreement A: Clean Up Costs: Existing Pollution event and In consideration of the payment of premium and the Deductible by





## Pollution Liability

you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy and ONLY with respect to the "covered locations" shown in the Schedule above, that:

### I. EXCLUSIONS (Section IV.) is amended to add the following:

#### Subsurface Activities

Any "pollution event", whether unknown to any "insured" or known and provided coverage by a Disclosed Documents or Known Pollution Events Schedule endorsement if applicable, that:

1. is discovered as a result of the performance of "subsurface activities" undertaken on, at or under a "covered location" shown in the Schedule above; or
2. would not have resulted in whole or in part but for the performance of "subsurface activities" undertaken on, at or under a "covered location" shown in the Schedule above;

However, this exclusion shall only apply to "cleanup costs" and/or "natural resource damages."

### II. For purposes of this endorsement the following are added to DEFINITIONS (Section III):

"Subsurface activities" means the performing of any exploratory excavations, soil borings, monitoring wells or test pits including the collection of soil, vapor or groundwater samples at the "covered location" shown in the Schedule above.

All other terms, exclusions, and conditions of the policy apply and remain unchanged.

### **STATUTORY CONDITIONS, GENERAL CONDITIONS AND OTHER CONDITIONS**

**This endorsement changes the policy. Please read it carefully.  
Form # ZC 6300 U (05/16)**

Please refer to the Statutory Conditions, General Conditions and Other Conditions applicable to your Province(s)/Territory(ies).

#### 1. Statutory Conditions

Page 1 - All Provinces/Territories except:

- a. Alberta, British Columbia and Quebec.
- b. Statutory Condition 14. (Action) does not apply to Manitoba.

Page 3 – Alberta.

Page 6 - British Columbia.

#### 2. General Conditions

Page 9 – Quebec .

#### 3. Other Conditions

Page 13.

#### Statutory Conditions

(For all provinces except Alberta, British Columbia and Quebec, except that paragraph 14 does not apply to Saskatchewan).

The **Statutory Conditions** apply to the peril of fire and as modified or supplemented by riders or endorsements attached apply as Policy Conditions to all other perils insured in this Policy.

#### 1. Misrepresentation

Where a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate a circumstance which 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

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 is stated in the contract.

#### 3. Change of Interest

The Insurer shall be 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

A change material to the risk and within the control and knowledge of the Insured shall void the contract as the part affected by it, 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 of the premium paid and cancel the contract, or may notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured shall, within 15 days of the receipt of the notice pay to the Insurer an additional premium; and in default of the payment the contract shall no longer be in force and the Insurer shall return the unearned portion of the premium paid.

#### 5. Termination

- (1) This contract may be terminated.
  - (a) by the Insurer giving to the Insured 15 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 proportional premium for the expired time, but, in no event shall the proportional premium for the expired time be considered to be less than any minimum retained premium specified; and
  - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
- (3) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be considered to be less than a minimum retained premium specified.
- (4) The refund may be made by money, postal or express company money order or by cheque payable at par.
- (5) The 15 days mentioned in clause (1) (a) of this condition start to run on the day following the receipt of the registered letter at the post office to which it is addressed.

#### 6. Requirements After Loss

- (1) Upon the occurrence of a loss of or damage to the insured property, the Insured shall, where the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
  - (a) forthwith give notice of the loss or damage in writing to the Insurer;
  - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
    - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
    - (ii) stating when and how the loss occurred, and where caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,

## Pollution Liability

- (iii) stating that the loss did not occur through a wilful act or neglect or the procurement, means or connivance of the Insured,
  - (iv) showing the amount of other insurances and the names of other insurers,
  - (v) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
  - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
  - (vii) showing the place where the property insured was at the time of loss:
  - (c) where required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
  - (d) where required, and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- (2) The evidence furnished under clauses 1 (c) and (d) of this condition shall not be considered proof of loss within the meaning of conditions 12 and 13.

### 7. Fraud

A fraud or a wilfully false statement in a statutory declaration in relation to the above particulars, shall vitiate the claim of the person making the declaration.

### 8. Who May Give Notice and Proof

Notice of loss may be given, and proof of loss may be made, by the agent of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or where the Insured refuses to do so, by a person to whom a part of the insurance money is payable.

### 9. Salvage

- (1) The Insured, in the event of any loss or damage to the property insured under the contract, shall take all reasonable steps to prevent further damage to the property so damaged and to prevent damage to other property insured under the contract including, where necessary, its removal to prevent damage or further damage to the property.
- (2) The Insurer shall contribute proportionally towards reasonable and proper expenses in connection with steps taken by the Insured and required under subparagraph (1) of this condition according to the respective interest of the parties.

### 10. Entry, Control, Abandonment

After loss or damage to insured property, the Insurer shall have an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer shall not be entitled to the control or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.

### 11. Appraisal

In the event of a disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act, or the Insurance Contracts Act in the case of Newfoundland and Labrador, before there can be a 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 an appraisal is made in writing and until after proof of loss has been delivered.

### 12. When Loss Payable

The loss shall be payable within 60 days after completion of the proof of loss, unless the contract provides for a shorter period.

### 13. Replacement

- (1) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention to do so within 30 days after receipt of the proof of loss.
- (2) In that event the Insurer shall start to repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall after that time proceed with all due diligence to the completion of the property.

### 14. Action

Every action or proceeding against the Insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within 1 year next after the loss or damage occurs.

### 15. Notice

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 the contract by letter personally delivered to him or her or by registered mail addressed to him or her at his or her latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

### Statutory Conditions

(applicable in the province of Alberta). Subject to certain exceptions set out in the Insurance Act and regulations thereunder, the Statutory Conditions are deemed to be part of every contract of insurance in force in the province of Alberta. (**Statutory Conditions** 1 and 6 to 13 apply only to contracts that include insurance against loss or damage to property).

#### 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

- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.

## Pollution Liability

- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
  - (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
    - (a) terminate the contract in accordance with Statutory Condition 5 or;
    - (b) 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.
  - (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3)(b) of this condition, the contract is terminated at that time and Statutory Condition 5(2)(a) applies in respect of the unearned portion of the premium.
- (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
  - (vii) stating the place where the insured property was at the time of loss,
- (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - (d) if required by the insurer and if practicable,
    - (i) produce books of account and inventory lists,
    - (ii) furnish invoices and other vouchers verified by statutory declaration, and
    - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1)(c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

### 5. Termination of Insurance

- (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
- (2) 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.
- (3) 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.
- (4) The 15-day period referred to in subparagraph (1)(a) 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

- (1) 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,
  - (a) immediately give notice in writing to the insurer,
  - (b) 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
    - (i) 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,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - (iv) stating the amount of other insurances and the names of other insurers,
    - (v) 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,

### 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(1)(a) may be given and the proof of loss under Statutory Condition 6(1)(b) 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

- (1) 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.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) 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

- (1) 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

## Pollution Liability

whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.

- (2) There is no right to a dispute resolution process under this condition until
  - (a) a specific demand is made for it in writing, and
  - (b) 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

- (1) 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.
- (2) If the insurer gives notice under subparagraph (1) 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

- (1) 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.
- (2) 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.

### Statutory Conditions

(applicable in the province of British Columbia). Subject to certain exceptions set out in the Insurance Act and regulations thereunder, the Statutory Conditions are deemed to be part of every contract of insurance in force in the province of British Columbia. (**Statutory Conditions 1 and 6 to 13** apply only to contracts that include insurance against loss or damage to property).

#### 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

- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.

- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
  - (a) terminate the contract in accordance with Statutory Condition 5, or
  - (b) 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.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

### 5. Termination of insurance

- (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
- (2) 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.
- (3) 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.
- (4) The 15 day period referred to in subparagraph (1) (a) 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

- (1) 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,
  - (a) immediately give notice in writing to the insurer,
  - (b) 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,
    - (i) 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,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - (iv) stating the amount of other insurances and the names of other insurers,
    - (v) 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,
    - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
    - (vii) stating the place where the insured property was at the time of loss,

## Pollution Liability

- (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - (d) if required by the insurer and if practicable,
    - (i) produce books of account and inventory lists,
    - (ii) furnish invoices and other vouchers verified by statutory declaration, and
    - (iii) furnish a copy of the written portion of any other relevant contract.
  - (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) 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 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) 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**
- (1) 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.
  - (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) 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**
- (1) 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.
  - (2) There is no right to a dispute resolution process under this condition until
    - (a) a specific demand is made for it in writing, and
    - (b) 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

- (1) 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.
- (2) If the insurer gives notice under subparagraph (1) 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

- (1) 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.
- (2) 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.

### General Conditions

(This Policy is subject to the Civil Code of Quebec)

*Reference to Civil Code articles in some instances is for easier reading only and should not be construed as exact quotations.*

For all coverages except where inapplicable.

### 1. Statements

#### 1.1 Representation of risk (Article 2408)

The client, 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.

The client means the person submitting an insurance application.

#### 1.2 Material change in risk (Articles 2466 and 2467)

The Insured shall 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.

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 thirty days of the proposal, the policy ceases to be in force.

#### 1.3 Misrepresentations or concealment (Articles 2410, 2411 and 2466)

Any misrepresentation or concealment of relevant facts mentioned in section 1.1 and in the first paragraph of section 1.2 by the client 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.

Unless the bad faith of the client or of the Insured is established or unless it is established that the Insurer would not have covered the risk if he had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium he collected bears to the premium he should have collected.

## Pollution Liability

### 1.4 Warranties (Article 2412)

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

## 2. General Provisions

### 2.1 Insurable interest (Articles 2481 and 2484)

#### *(Applicable to property insurance only)*

A person has an insurable interest in a property where the loss or deterioration of the property may cause him direct and immediate damage. It is necessary that the insurable interest exist at the time of the loss but not necessary that the same interest have existed throughout the duration of the contract. The insurance of a property in which the Insured has no insurable interest is null.

### 2.2 Changes (Article 2405)

The terms of this policy shall not be waived or changed except by endorsement.

### 2.3 Assignment (Articles 2475 and 2476)

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.

Upon the death or bankruptcy of the Insured or the assignment of his interest in the insurance to a co- Insured, the insurance continues in favour of the heir, trustee in bankruptcy or remaining Insured, subject to his performing the obligations that were incumbent upon the Insured.

### 2.4 Books and records

The Insurer and its authorized representatives shall have the right to examine the Insured's books and records related to the subject matter of this insurance at any time during the period of this policy and the three subsequent years.

### 2.5 Inspection

The Insurer and its authorized representatives shall have the right but are not obligated to make inspections of the risk, inform the Insured of the conditions found and recommend changes. Any inspections, surveys, findings or recommendations relate only to insurability and the premiums to be charged. They shall not constitute a warranty that the premises, property or operations are safe or healthful or comply with laws, codes or standards.

### 2.6 Currency

All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.

## 3. Losses

### 3.1 Notice of loss (Article 2470)

The Insured shall notify the Insurer of any loss which may give rise to an indemnity, as soon as he becomes aware of it. Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to compensation shall be forfeited by the Insured where such non-compliance has caused prejudice to the Insurer.

### 3.2 Information to be provided (Article 2471)

The Insured shall 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; he shall also

furnish him with vouchers and swear or warrant to the truth of the information.

Where, for a serious reason, the Insured is unable to fulfil such obligation, he is entitled to a reasonable time in which to do so. If the Insured fails to fulfil his obligation, any interested person may do so on his behalf.

In addition, the Insured shall forthwith send to the Insurer a copy of any notice, letter, subpoena or writ or document received in connection with a claim.

### 3.3 False representation (Article 2472)

Any deceitful representation entails the loss or the right of the person making it to any indemnity in respect of the risk to which the representation relates.

However, 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.

### 3.4 Intentional Fault (Article 2464)

The Insurer is never liable to compensate for injury resulting from the Insured's intentional fault.

Where there is more than one Insured, the obligation of coverage remains in respect of those Insureds who have not committed an intentional fault.

Where the Insurer 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 fault.

### 3.5 Notice to police

#### *(Applicable to property insurance only)*

The Insured must promptly give notice to the police of any loss caused by vandalism, theft or attempted theft or other criminal act.

### 3.6 Safeguarding and examination of property (Article 2495)

#### *(Applicable to property insurance only)*

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 shall not be recoverable.

The Insured may not abandon the damaged property if there is no agreement to that effect. The Insured shall facilitate the salvage and inspection of the insured property by the Insurer.

He shall, in particular, permit the Insurer and his 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.

### 3.7 Admission of liability and cooperation

The Insured shall cooperate with the Insurer in the processing of all claims.

#### *(The following two paragraphs are applicable to liability insurance only): Article 2504)*

No transaction made without the consent of the Insurer may be set up against him.

The Insured shall not admit any liability nor settle or attempt to settle any claim, except at his own risk.

### 3.8 Right of action (Article 2502)

#### *(Applicable to property insurance only)*

The Insurer may set up against the injured third person any grounds he could have invoked against the Insured at the time of the loss, but not grounds pertaining to facts that occurred after the loss; the Insurer has

## Pollution Liability

a right of action against the Insured in respect of facts that occurred after the loss.

### 4. Compensation and Settlement

#### 4.1 Basis of settlement (Articles 2490, 2491, 2493)

##### *(Applicable to property insurance only)*

Unless otherwise provided, the Insurer shall not be liable for more than the actual cash value of the property at the time of the loss as normally determined.

In unvalued policies, the amount of insurance does not make proof of the value of the insured property. In valued policies, the agreed value makes complete proof, between the Insurer and the Insured, of the value of the insured property.

If the amount of insurance is less than the value of the property, the Insurer is released by paying the amount of the insurance in the event of total loss or a proportional indemnity, in the event of partial loss.

#### 4.2 Pair and set (*Applicable to property insurance only*)

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

#### 4.3 Parts (*Applicable to property insurance only*)

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

#### 4.4 Replacement (Article 2494)

##### *(Applicable to property insurance only)*

Subject to the rights of preferred and hypothecary creditors, the Insurer re-serves the right to repair, rebuild or replace the insured property. He is then entitled to salvage and may take over the property.

#### 4.5 Time of payment (Articles 1591, 2469 and 2473)

The Insurer shall pay the indemnity within sixty days after receiving the notice of loss or, at his request, all relevant information and vouchers, provided the Insured shall have complied with all the terms of the contract.

Any outstanding premium may be deducted from the indemnity payable.

#### 4.6 Property of others

##### *(Applicable to property insurance only)*

Where a claim is made as a result of loss of or damage to property not owned by the Insured, the Insurer reserves the right to pay the indemnity to the Insured or to the owner of the property and to deal directly with such owner.

#### 4.7 Waiver

Neither the Insurer nor the Insured shall 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.

#### 4.8 Limitation of actions (Article 2925)

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

#### 4.9 Subrogation (Article 2474)

Unless otherwise provided, the Insurer shall be subrogated to the extent of the amount paid or the liability assumed therefor under this policy to the rights of the Insured against persons responsible for the loss except when they are members of the Insured's household. The Insurer may be fully or partly released from his obligation towards the Insured where, owing to any act of the Insured, he cannot be so subrogated.

### 5. Other Insurance

#### 5.1 Property insurance (Article 2496)

The Insured who, without fraud, is insured by several insurers, under several policies, for the same interest and against the same risk so that the total amount of indemnity that would result from the separate performance of such policies would exceed the loss incurred may be indemnified by the insurer or insurers of his choice, each being liable only for the amount he has contracted for.

No clause suspending all or part of the performance of the contract by reason of other insurance may be used against the Insured.

Unless otherwise agreed, the indemnity is apportioned among the insurers in proportion to the share of each in the total coverage, except in respect of specific insurance, which constitutes primary insurance.

#### 5.2 Liability insurance

The liability insurance provided under this policy is primary insurance except when stated to apply in excess of, or contingent upon the absence of, other insurance. When this insurance is primary and the Insured has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Insurer's liability under this policy shall not be reduced by the existence of such other insurance. When both this insurance and other insurance apply to the loss on the same basis whether primary, excess or contingent, the Insurer shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

##### - Contribution by equal share:

If all of such other collectible insurance provides for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than would be payable if each insurer contributed an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

##### - Contribution by limits:

If any such other insurance does not provide for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

### 6. Cancellation (Articles 2477 and 2479)

This policy may be cancelled at any time:

- (a) By mere written notice from each of the Named Insureds. Termination takes effect upon receipt of the notice and the Insured shall therefore be entitled to a refund of the excess of the premium actually paid over the short-term rate for the expired time.
- (b) By the Insurer giving written notice to each of the Named Insureds. Termination takes effect fifteen days following receipt of such notice by the Insured at his last known address and the Insurer shall refund the

## Pollution Liability

excess of premium actually paid over the pro rata premium for the expired time. If the premium is subject to adjustment or determination as to amount, the refund shall be made as soon as practicable.

Where one or more of the Named Insureds have been mandated to receive or send the notices provided for under paragraph (a) or (b) above, notices sent or received by them shall be deemed to have been sent or received by all Named Insureds.

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

### 7. 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 named Insured by letter personally delivered to him or by mail addressed to him at his last known address.

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

### Other Conditions

The Condition shown below is deemed to be part of every contract of insurance in force in the provinces of British Columbia, Alberta and Manitoba.

### Action

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.

### TRADE AND ECONOMIC SANCTIONS LIMITATION

**This endorsement changes the policy. Please read it carefully.**

**Form # ZC 13001 U (06/15)**

This endorsement modifies insurance provided under the policy it forms part of.

Notwithstanding any other terms under this agreement, no insurer shall be deemed to provide coverage or will make any payments or provide any service or benefit to any insured or other party to the extent that such cover, payment, service, benefit and/or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

Except as provided herein, all the terms and conditions of this policy shall have full force and effect.

### GRANDFATHERED TERMS & CONDITIONS

**This endorsement modifies the insurance provided by this policy. Please read it carefully.**

**Form # STF-EPS-MAN**

1. Other than for limits of insurance and deductibles, where the terms and conditions of the "expiry policy" are broader in scope than those of this policy, only the broader terms and conditions of the "expiry policy" will be read into this policy (grandfathered).

If the "expiry policy" provided a coverage not otherwise insured by this policy, the last terms and conditions (including limits of insurance and deductibles) applicable to such coverage under the "expiry policy" are read into this policy (grandfathered).

However, the aforementioned grandfathering of the terms and conditions of the "expiry policy" are limited by all of the following:

- a. They apply solely to this policy term, and not any subsequent renewal of this policy.
- b. They do not extend to coverages and other terms and conditions on the "expiry policy", but not this policy, that we choose to no longer insure if we advise the Insured (either directly or through their insurance broker) and endorse the policy accordingly.

Furthermore, notwithstanding any clause, term, condition or other provision of this policy and the "expiry policy", no insurer shall be deemed to provide coverage or will make any payments or provide any service or benefit to any insured or other party to the extent that such cover, payment, service, benefit and/or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

2. Notwithstanding any of the above, the insurance provided by this policy does not apply to any claim made, action brought, liability, damage, loss, cost, expense, act, error, omission, occurrence (as defined, and applicable, in each individual policy form attaching to this policy), offence or any combination thereof caused by, attributable to, or arising from, directly or indirectly, in whole or in part, any of the following causes of loss:

#### **Communicable Disease Exclusion**

"Communicable disease", regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

3. For the purposes of this endorsement,
  - a) The following additional definitions apply.
  - b) If there is any conflict between the definitions hereinbelow and the definitions within the various coverage forms of this policy, the definitions hereinbelow will supersede those within any individual coverage form.

**Communicable Disease** – means any contagious or infectious virus, bacteria, pathogen, protein, parasite, other biological agent or organism, disease or other illness-causing agent or substance, or any combination thereof, all whether living or non-living, that can cause, contribute to or threaten, illness, syndrome, infection or disease, regardless of the method of transmission.

**Except as provided herein, all the terms and conditions of this policy shall have full force and effect.**



# VOLUNTEER ACCIDENT

## GENERAL PROVISIONS – DEFINITIONS

**"Accident"** means a sudden, unforeseen, fortuitous event.

**"Actively at Work"** means an Employee must:

- a) be actually working at the Employer's place of business or a place where the Employer's business requires him to work on a permanent, full time basis for at least 20 hours per week; or
- b) be actually working at the Employer's place of business or a place where the Employer's business requires him to work on a permanent part-time basis for less than 20 hours per week (if approved by the Company); or
- c) be absent due to vacation, weekends, statutory holidays, or shift variances.

**"Anniversary Date"** means the date on which the policy will renew. The initial anniversary date will be 12 months from the effective date and every 12 months thereafter.

**"Annual Salary"** means the gross annual earnings, excluding bonuses, and overtime while the Employee was last Actively at Work.

**"Commissions"** are earnings based on the average commissions received over the last 24 months or the period of commissioned employment if less.

**"Dependent Child or Dependent Children"** means the Employee's eligible unmarried natural, legitimate, illegitimate, adopted, stepchild or common law child who is principally dependent on the Employee or the Employee's Spouse for financial support and are:

- a) over the age of 14 days and under the age of 21; or
- b) age 25 and attending school on a full-time basis; or
- c) over age 21 and dependent by reason of mental or physical infirmity and incapable of self-sustaining employment, and is totally dependent on the Employee or the Employee's Spouse for support within the terms of the Income Tax Act of Canada provided the child was already covered under this policy before reaching age 21 and the condition has been continuous.

**"Employer"** means the Policyholder and any other company listed on the application.

**"Employee"** means any person who is directly employed and compensated for services by the Employer and is eligible for insurance as defined within this policy. This person must be listed in the Policyholder's (or Third Party Administrators') list of eligible Employees.

**"Hospital"** means a legally constituted establishment which meets all of the following requirements:

- a) operates primarily for the reception, care and treatment of sick, ailing or injured persons as in-patients;
- b) provides 24 hour a day nursing service by registered or graduate nurses;
- c) has a staff of one or more licensed Physicians available at all times;
- d) provides organized facilities for diagnosis and surgical facilities; and
- e) is not primarily a clinic, nursing home or convalescent home or similar establishment nor, other than incidentally, a place for alcoholics or drug addicts

**"Immediate Family Member"** means spouse, parent or stepparent, child or stepchild, brother or sister, stepbrother or stepsister, brother-in-law or sister-in-law, mother-in-law or father-in-law, and son-in-law or daughter-in-law.

**"Injury"** means bodily injury resulting directly or independently of all other causes from an accident, which is caused by external, violent, and visible means

and sustained while an Insured Person is covered under this policy. Injury must result within a 365 day period after the date of the accident.

**"In-Patient"** means a person admitted to a hospital as a resident or bed-patient who is provided at least one day of room and board by the hospital.

**"Insured or Insured Person"** means

- a) any Employee qualifying for any eligible class as defined herein; or
- b) an Employee's eligible spouse or dependent child as defined herein.

No Insured Person may be covered more than once under this policy. If an individual is covered as an Employee, he cannot be covered as a spouse or dependent child of another Employee. In addition, only one spouse can choose coverage for dependent children.

**"Non-Smoker"** means someone who has not smoked cigarettes, cigarillos, cigars, pipe or chewing tobacco or used any nicotine products (patch, gum, etc.) for twelve months or more prior to the date of enrollment.

**"Physician"** means a Doctor of Medicine (M.D.) duly licensed to practice medicine in Canada and recognized by the College of Physicians and Surgeons in the Province in which the treatment is rendered, who is not the Insured Person, and who is not a member of the Insured Person's immediate family.

**"Policy Effective Date"** means the date that coverage under the policy will commence.

**"Premium Due Date"** means the Policy Effective Date for the initial premium due, and the same day of the month in each and every month thereafter.

**"Professional Counsellor"** means a therapist or counsellor who is licensed, registered or certified to provide such treatment.

**"Seat Belt"** means those belts that form a restraint system.

**"Sickness"** means any illness, disease or physical condition which causes a covered loss and for which symptoms are manifested while the policy is in force.

**"Specialist"** means a Physician whose practice is limited to the particular branch of medicine or surgery required to diagnose or perform surgery upon the specified insured condition or partial benefit.

**"Spouse"** means a person of the same or opposite sex who:

- a) is legally married to the Employee and cohabitates with the Employee; or
- b) cohabitates with the Employee and has been publicly represented as their domestic partner for a period of at least one year in the community in which they reside and continues to be represented as such.

**"Vehicle"** means a private passenger vehicle, station wagon, van, or jeep-type automobile.

## GENERAL PROVISIONS - POLICY CONDITIONS

### **The Contract**

This policy, the Application for Group Insurance, the proposal and the individual applications of the eligible persons, where applicable, constitute the entire contract between the parties. This includes the endorsements, insertions or riders, if any. No agent has authority to change the contract or waive any of its provisions.

# VOLUNTEER ACCIDENT

## Waiver

The Company shall be deemed not to have waived any condition of this contract, either in whole or in part, unless the waiver is clearly expressed in writing signed by the Company.

## Assignment

Benefits payable under this policy shall not be assigned.

## Participating

This policy is non-participating.

## Participation Requirements

100% of eligible Employees must be insured for coverage in their respective class.

## Notice to New Employees

It is the responsibility of the Policyholder to enroll eligible Employees and to inform the Company of the addition of new Employees within 31 days of becoming eligible.

## Grace Period

A Grace Period of 31 days will be granted for the payment of premiums accruing after the first premium, during which Grace Period the policy shall continue in force, but the Policyholder shall be liable to the Company for the payment of the premium accruing for the period the policy continues in force. No Grace Period will be granted when a written notice of cancellation or termination has been received by us at our offices.

## Beneficiary

An Employee or any spouse has the right to name a beneficiary when he applies for insurance.

It is understood that the beneficiary designation made under the Policyholder's Group Life Insurance Policy shall be recognized as the beneficiary under this policy, unless a further designation has been made that specifically identifies this policy. Failing such designation, all benefits will be paid to the Estate of the Insured Person.

All other indemnities of this policy will be payable to the Insured Person.

An Insured Person can change his beneficiary at any time, where permitted by law. The Company assumes no responsibility for the validity of such designation or change of beneficiary.

The beneficiary designation made by the group insured (if any) under the replaced group policy has been retained. The group insured should review the existing designation to ensure it reflects his/her current intention.

**This policy contains a provision removing or restricting the right of the group person insured to designate persons to whom or for whose benefit insurance money is to be payable.**

## Examination and Audit

The Company shall be permitted to examine the Policyholder's records relating to this policy at any reasonable time and place during the policy term and after expiration of the policy until final adjustment and settlement of all claims and other matters hereunder.

## When Monies Payable Other Than For Loss of Time

All monies payable under this contract other than benefits for loss of time shall be paid by the Company within sixty days after it has received proof of claim.

## When Loss of Time Benefits Payable

The initial benefits for loss of time shall be paid by the Company within thirty days after it has received proof of claim, and payments shall be made thereafter

within each succeeding 60 day period while the Company remains liable for the payments if the Policyholder, whenever required to do so, furnishes prior to payment proof of continuing disability.

## Government Hospital Plans

No payment shall be made for services rendered by a hospital, except for reimbursement of charges which are in excess of benefits payable for hospital services under any government laws of Canada or any Province/Territory.

## Not in Lieu Of

This policy is not in lieu of and does not affect any requirement for coverage by workers' compensation insurance, or similar coverage.

## Currency

All monies payable under this contract shall be paid in lawful Canadian currency.

## Gender

Any reference to the masculine gender in this policy will also include the feminine gender.

## Conformity with Provincial Statutes

Any provision of this policy or any condition of this policy which is in conflict with the statutes of the province in which the policy is delivered is hereby amended to conform to the minimum requirements of such province. This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of the policy remain unchanged.

## Clerical Error

A clerical error is a mistake in writing, typing or copying data. A clerical error made by the Policyholder or the Company will not invalidate insurance otherwise in force, or continue insurance otherwise terminated under the terms of this policy. If an Insured Person's age has been misstated, his true age will be used to determine:

- a) the effective date or termination date of insurance;
- b) the amount of insurance; and
- c) any other rights or benefits under this policy.

The Company will adjust the insurance in force where this is affected by a clerical error or a misstatement of age. A premium adjustment which reflects the adjustment in insurance will be made on a subsequent premium due date.

## Booklets

The Company will produce a booklet for each Employee insured under this policy, unless the Company and the Policyholder have otherwise agreed. The booklet will set out the main features of insurance and will be distributed by the Policyholder to each insured Employee.

Possession of a booklet alone does not entitle an Employee to insurance under this policy. The policy must be in effect, premiums must be paid and the Employee must satisfy all the requirements. The booklet is not a contract of insurance, nor does it create or confer any contractual or other rights. The provisions of this policy will govern if they are in conflict with the booklet.

## Contesting the Policy

In the absence of fraud, the validity of this policy will not be contested if it has been in force for two (2) years from its issue date and all premiums due in that time have been paid.

## Misrepresentation

If it is found that an Insured Person materially misrepresented his eligibility or medical status in order to obtain insurance under this policy, the Company has the right to void the application within the first two (2) years of the date of issue or within two (2) years of any change requested by the Insured Person.

## VOLUNTEER ACCIDENT

A misrepresentation is a false statement on an insurance application as to a past or present fact which leads the Company to issue an insurance contract whereas the Company would not have issued the contract if the accurate facts were known.

### Legal Actions

No action at law or in equity shall be brought to recover on this policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with requirements of this policy. For residents of Alberta and British Columbia: 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. For residents of Manitoba: 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. For residents of Ontario: 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 Limitations Act, 2002. Otherwise, every action must be brought within one year from the date of loss or such longer period as may be required under the law applicable in the insured person's province of residence.

### Change of Insurer

An person insured under a former policy may not be excluded from the new policy or be denied benefits solely because of a pre-existing condition limitation that was not applicable or that did not exist in the former policy, or because the person is not at work on the date of coming into force of the new policy.

The insured person and any claimant under this policy has the right, as determined by law applicable in the insured person's province of residence, to obtain a copy of his/her application, any written evidence of insurability (as applicable) and the Group Policy, on request, subject to certain access limitations.

### Quebec Drug Coverage Notification

The Policyholder shall provide the Company with a copy of the non-renewal notice sent by the insurer providing prescription drug coverage pursuant to the Quebec Act respecting prescription drug insurance (the "prescribed drug coverage"), as amended, no later than twenty (20) days before the non-renewal of the related insurance contract. The Company will not be able to maintain the Policy in force for the Insured Persons resident in Quebec unless a policy providing the prescribed drug coverage is in force at all times.

## GENERAL PROVISIONS — AFFILIATED CORPORATIONS

Employees who are in the classes of eligible persons set forth in the policy, employed by one of the following corporations shall be considered employees of the Policyholder:

NIL

## NEWLY ACQUIRED CORPORATIONS

It is understood and agreed that, whereas the premium for this policy applies to the corporations listed above, eligible employees of corporations newly acquired through stock purchase, exchange of stock or otherwise, shall be insured under this policy only under the following conditions:

- (1) The Policyholder shall pay an appropriate additional premium and shall report to the Company, the name of any such newly acquired corporation together with the underwriting information necessary for the Company to determine such additional premium.
- (2) Insurance shall commence on the date of acquisition, but no coverage shall continue for more than sixty (60) days thereafter unless the required report has been made and an additional premium agreed upon and paid. In any event, the Policyholder shall be liable

for payment of premium for the period such coverage remains in effect.

## GENERAL PROVISIONS — PREMIUMS

### Premium Due Date

Premiums are due on the first of the month in which they are due. A Grace Period of 31 days will be provided unless a written notice of termination or cancellation has been received by us at our offices. If premiums remain outstanding after expiration of the Grace Period, the policy will be terminated.

### Premium for Each Insured Individual

The amount of premium payable for each Insured Person shall be determined according to the benefits for which that person is insured and the premium rates then applicable to those benefits.

### Reports and Premium Payments

Where the policyholder does not receive a billing statement from the Company, the Policyholder, or the Administrator or Transmittal Agent appointed by the Policyholder shall submit to the Company (1) an initial report within 45 days after the Policy Effective Date listing the names of such persons insured on the Policy Effective Date, (2) an annual report detailing Employee movement for Life Insurance, as specified by the Company, and (3) a regular periodic report at the same intervals as the mode of premium payment specified in the Application for Group Insurance, and naming the eligible persons added and those whose coverage terminated, together with the applicable premium therefor, within 15 days after the end of the reporting period.

The Policyholder shall co-operate with and assist the Company in the reconciliation of eligible persons during the open enrollment periods scheduled at reasonable times.

### Premium Rate Changes

The Company may set new rates:

- a) for mandatory coverage on any premium due date after the first 12 months, but not more than once in any policy year;
- b) upon amendment or termination of any other plan which provides benefits which are offset against benefits under this policy;
- c) at any time after the passage of Provincial/Territorial or Federal law or regulation which results in a change to:
  - i. the liability for provision of benefits under this policy; or
  - ii. the taxability of premiums or benefits.

### Premium Adjustments

A premium adjustment will be made for each of the following changes to the amount of insurance in force under this policy:

- a) changes due to an amendment of the policy;
- b) retroactive changes made to correct the effect of a clerical error or misstatement;
- c) retroactive changes required due to the late reporting of the addition or termination of Employees; and
- d) any other changes that take effect more than one (1) month prior to the next premium due date.

Retroactive adjustments which result in a credit to the Policyholder will be limited to three (3) months.

# VOLUNTEER ACCIDENT

## GENERAL PROVISIONS — EFFECTIVE DATE OF COVERAGE

To become insured under this policy, an eligible Employee will be automatically enrolled by the Company or policyholder immediately upon the date of active employment.

### **Effective Date of Insurance — Employee**

This insurance becomes effective as follows, if the Employee is then Actively at Work:

- a) on the Policy Effective Date for Employees who are Actively at Work on the Policy Effective Date

If the Employee is not Actively at Work when insurance would otherwise take effect, this insurance will take effect on the next day on which he is again Actively at Work.

## GENERAL PROVISIONS — EMPLOYEE CHANGES

### **Class Changes**

If an Employee changes from one class to another class, the Policyholder must advise the Company in writing within 31 days of the change. The change will take effect on the effective date of the class change and any change in premium will be reflected on the following month's billing statement.

If the Policyholder neglects to mention the change and a claim is presented, the Company will pay the benefit for the lesser of the two classes.

## GENERAL PROVISIONS - TERMINATION OF INSURANCE

### **Termination of Employee Insurance**

Insurance for an Employee terminates on the earliest of the following dates:

- a) the date this policy terminates;
- b) the date the Employee ceases to be in an eligible class;
- c) the date the Employee ceases to be an eligible Employee;
- d) death of the Insured Employee;
- e) the date the Employee ceases to satisfy the Actively at Work requirement. If the Employee is not at work because of sickness or injury, temporary lay-off, or leave of absence, this date will be extended to the earliest of:
  - i. the date the Employer stops paying premiums or otherwise determines that insurance has terminated. This date must be determined on the same basis for all Employees in like circumstances;
  - ii. The date the Employee starts to work in another job more than 20 hours per week, except in an approved rehabilitation plan or program;

### **Termination by the Policyholder**

The Policyholder may terminate the contract at any time by giving written notice of termination to the Company at its head office or authorized regional office. Notice must be received within 30 days prior to the date of cancellation.

### **Termination by the Company**

The Company may terminate the contract, under the following circumstances:

- a) at any time that the number of insured Employees falls below the minimum participation requirement; or
- b) during any period where premiums have not been paid beyond the Grace Period; or
- c) at any time prior to the policy Anniversary Date as long as the Company provides 30 days' notice of its intent to cancel the policy.

## GENERAL PROVISIONS — CLAIMS

### **Payment of Claims**

Benefits payable due to the accidental death of an Employee will be payable to the beneficiary on record in a lump sum. Lump sum payments will be made immediately upon approval of the required proofs of claim. Benefits payable for all other indemnities under the Accidental Death and Dismemberment schedule will be paid to the Employee.

If, upon the death of the Employee, there is no surviving beneficiary, the benefit shall be payable in one sum to the Estate of the Insured Person.

Should a discrepancy occur, the benefit proceeds may be paid into court.

### **Notice and Proof of Claim**

The Policyholder or his agent, or a beneficiary entitled to make a claim or his agent, shall

- a) give written notice of claim to the Company not later than thirty days from the date of the accident, the beginning of the disability, or after the Survival Period;
  - i. by delivery thereof, or by sending it by registered mail, to the head office or chief agency of the Company in the province; or
  - ii. by delivery thereof to an authorized agent of the Company in the province.
- b) within ninety days from the date of the accident or after the Survival Period, for which the claim is made, furnish to the Company such proof of claim as is reasonably possible in the circumstances of the happening of the accident and the loss occasioned thereby; and
- c) if so required by the Company, furnish a certificate as to the cause and nature of the accident for which the claim is made and as to the duration of the disability caused thereby, from a medical practitioner legally qualified to practice in the province.

### **Failure to Give Notice of Proof**

Failure to give notice of claim or furnish proof of claim within the time prescribed in this policy condition will not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible and if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed. In no event, will the Company accept notice of claim beyond one (1) year.

### **Company to Furnish Forms for Proof of Claim**

The Company shall furnish forms for proof of claim within 15 days after receiving notice of claim but where the claimant has not received the forms within that time he may submit proof of claim in the form of a written statement of the happening and character of the accident giving rise to the claim and of the extent of the loss.

### **Right to Examination**

The Company has the right, and the claimant or beneficiary, executor or any other person representing the deceased, shall afford to the Company an opportunity to examine the Insured Person when and as often as it may reasonably require while the claim hereunder is pending, and also, in the case of the death of the person, to make an autopsy subject to any law of the province relating to autopsies.

### **When Monies Payable**

All monies payable under this contract shall be paid by the Company within 60 days after it has received proof of claim sufficient to the Company.

# VOLUNTEER ACCIDENT

## GENERAL PROVISIONS — ACCIDENTAL DEATH AND DISMEMBERMENT

If such injuries shall result in any one of the following specific losses within one year from the date of accident, the Company will pay the benefit specified as applicable thereto, based upon the Principal Sum, however, not more than one (the largest) of such benefits shall be paid with respect to all injuries resulting from one accident.

### Schedule of Losses

Loss of Life .....	The Principal Sum
Loss of Entire Sight of Both Eyes .....	The Principal Sum
Loss of One Hand and One Foot .....	The Principal Sum
Loss of Use of One Hand and One Foot .....	The Principal Sum
Loss of One Hand and Entire Sight of One Eye .....	The Principal Sum
Loss of One Foot and Entire Sight of One Eye .....	The Principal Sum
Loss of Speech and Hearing in Both Ears .....	The Principal Sum
Brain Death .....	The Principal Sum
Loss of Both Arms, Both Hands, Both Legs or Both Feet .....	Two Times The Principal Sum
Loss of Use of Both Arms, Both Hands, Both Legs or Both Feet .....	Two Times The Principal Sum
Quadriplegia .....	Two Times The Principal Sum
Paraplegia .....	Two Times The Principal Sum
Hemiplegia .....	Two Times The Principal Sum
Loss of One Arm or One Leg .....	Three-Quarters of The Principal Sum
Loss of Use of One Arm or One Leg .....	Three-Quarters of The Principal Sum
Loss of One Hand or One Foot .....	Three-Quarters of The Principal Sum
Loss of Use of One Hand or One Foot .....	Three-Quarters of The Principal Sum
Loss of Entire Sight of One Eye .....	Three-Quarters of The Principal Sum
Loss of Speech or Hearing in Both Ears .....	Three-Quarters of The Principal Sum
Loss of Thumb and Index Finger of Same Hand .....	One-Third of The Principal Sum
Loss of Use of Thumb and Index Finger of Same Hand .....	One-Third of The Principal Sum
Loss of Four Fingers of Same Hand .....	One-Third of The Principal Sum
Loss of Hearing in One Ear .....	One-Third of The Principal Sum
Loss of All Toes of Same Foot .....	One-Quarter of The Principal Sum

"Loss" shall mean with respect to hand or foot, the actual severance through or above the wrist or ankle joint; with respect to arm or leg, the actual severance through or above the elbow or knee joint; with respect to eye, the total and irrecoverable loss of sight; with respect to speech, the total and irrecoverable loss of speech which does not allow audible communication in any degree; with respect to hearing, the total and irrecoverable loss of hearing which cannot be corrected by any hearing aid or device; with respect to "Loss of Thumb and Index Finger of Same Hand" or "Loss of Four Fingers of Same Hand", the actual severance through or above the metacarpophalangeal joints of the same hand (the joints between the fingers and the hand); with regard to toes, the actual severance through or above the metatarsophalangeal joints (the joints between the toes and the foot) of the same foot. If the insured suffers complete severance of a hand, foot, arm or leg as described above, then the Company will pay the amount specified above even if the severed limb is surgically reattached, whether successful or not.

"Loss" as used with reference to quadriplegia (paralysis of both upper and lower limbs), paraplegia (paralysis of both lower limbs), and hemiplegia (total paralysis of upper and lower limbs of one side of the body), means the complete and irrecoverable paralysis of such limbs, provided such loss of function is continuous for one hundred and eighty consecutive days and such loss of function is thereafter determined on evidence satisfactory to the Company to be permanent.

"Loss of Use" shall mean the total and irrecoverable loss of function of an arm, hand, foot, leg or thumb and index finger of the same hand, provided such loss of function is continuous for twelve consecutive months and such loss of function is thereafter determined on evidence satisfactory to the Company to be permanent.

"Brain Death" means irreversible unconsciousness with total loss of brain function; and complete absence of electrical activity of the brain, even though the heart is still beating.

All benefits that are payable at 200% of the Principal Sum are subject to an all policies combined maximum benefit amount of \$1,000,000.

# VOLUNTEER ACCIDENT

## ACCIDENTAL DEATH AND DISMEMBERMENT

### Coverage Maximums

Coverage	Maximum Amounts
<b>Exposure and Disappearance</b>	
Total Disability — Weekly Accident Indemnity (under age 70) Weekly Benefit:	<b>\$600/week</b>
Maximum Period:	<b>52 weeks</b>
Waiting Period:	<b>8 days</b>
Tax Status: Taxable	
<b>Home-Maker — Weekly Indemnity (under age 65)</b>	
Weekly Benefit:	<b>\$100/week</b>
Maximum Period:	<b>26 weeks</b>
Waiting Period:	<b>8 days</b>
Tax Status: Taxable	
Accidental Medical Reimbursement	<b>\$10,000</b>
Accidental Dental Expense	<b>\$5,000</b>
Burial Benefit	<b>\$3,000</b>
Repatriation Benefit	<b>\$15,000</b>
Rehabilitation Benefit	<b>\$15,000</b>
Family Transportation Benefit	<b>\$15,000</b>
Spousal Occupational Training Benefit	<b>\$15,000</b>
Home Alteration & Vehicle Modification Benefit	<b>\$50,000</b>
Day Care Benefit	<b>\$5,000 per year/4 years</b>
Special Education Benefit	<b>\$5,000 per year/4 years</b>
Seat Belt Benefit	<b>\$25,000</b>
Identification Benefit	<b>\$15,000</b>
In-Hospital Confinement Monthly Income Benefit	<b>\$1,500 per month 30 days overall maximum</b>

### GENERAL PROVISIONS — BASIC ACCIDENTAL DEATH AND DISMEMBERMENT/AUXILIARY BENEFITS

#### **Exposure and Disappearance**

Loss resulting from unavoidable exposure to the elements and arising out of hazards described herein shall be covered to the extent of the benefits afforded an Insured Person.

If the body of an Insured Person has not been found within one (1) year of the disappearance, stranding, sinking or wrecking of the conveyance in which the Insured Person was riding at the time of the accident, it shall be presumed, subject to all other conditions of the policy, that the Insured Person suffered loss of life resulting from bodily injuries sustained in the accident and covered under this policy.

#### **Total Disability — Weekly Accident Indemnity**

If within 30 days from the date of accident such injuries totally disable the Insured Person, the Company will pay weekly indemnity for such continuous total disability from the first day following the waiting period (if any) specified in the Coverage Maximums Section and the Insured Person was seen by a physician for the consecutive period thereof not exceeding the maximum number of weeks specified in Coverage Maximums Section during which the Insured Person is unable to perform the substantial and material duties of his occupation.

The payment of weekly indemnity shall terminate upon the occurrence of any loss for which indemnity is payable under Accidental Death and Dismemberment Benefit but the amount paid hereunder shall be in addition to and not reduce any

benefits otherwise payable under Accidental Death and Dismemberment Benefit.

#### **Recurrent Disability**

An Insured Person's disability will be considered to be a recurrence of his/her previous disability provided all the following conditions are met:

- a) The Insured Person has received Weekly Accident Indemnity Benefits payable under the policy.
- b) The Insured Person becomes disabled again with 30 days of having returned to active employment on a full-time basis.
- c) The subsequent disability is due to an injury which is directly related to the cause of the immediately preceding disability.

If the disability is considered to be recurrent, the Weekly Accident Indemnity Benefit is subject to all the provisions of this benefit with the following exceptions:

- a) The Insured Person is entitled to the commencement of the Weekly Indemnity Benefit on the date the disability recurred.
- b) The Weekly Indemnity Benefit will be based upon the same earnings level as at the original date of disability.

If the disability is not considered to be recurrent, all the provisions of the policy will apply as they would to a new claim.

## VOLUNTEER ACCIDENT

### Other sources of income

While an Insured Person is disabled, he may be eligible for income from other sources. If so, the Company may reduce the Weekly Indemnity Benefits payable by the amount of such other income so that total income from all sources does not exceed 70% of gross pre-disability income.

Other sources of income include:

- a) any benefits payable under the Employment Insurance Act;
- b) any disability benefits payable under the Canada/Quebec Pension Plans;
- c) any work loss provision in mandatory "No Fault" auto insurance, if the reduction is permitted by law;
- d) any workers' compensation benefits;
- e) any wage or salary for work performed.

### Earnings means:

- (1) with respect to an Insured Person who is employed on a full-time basis, the weekly rate of wage or salary the Insured Person was receiving from his employer(s) as of the date of the Injury, exclusive of overtime pay or other remuneration;
- (2) with respect to an Insured Person who is self-employed, the weekly rate of earnings based on the three (3) years average of the Insured Person's earnings received for duties performed (excluding other income which does not depend on the Insured Person's ability to engage in an occupation or employment) less any business expenses which are deductible for income tax purposes but before deduction of any personal income taxes for the full taxation year immediately prior to the date of the Injury.

### Home-Maker Weekly Indemnity

When an Insured Person who is neither gainfully employed nor receiving employment insurance benefits sustains an Injury and, as the result of such Injury and commencing within thirty (30) days from the date of the accident, becomes totally and continuously disabled and is prevented from performing any and all of his regular household and/or child-caring duties, the Company will pay, provided that the disability has continued for a period of seven (7) consecutive days, a weekly indemnity at the rate specified in the Coverage Maximums Section for the period the Insured Person is so disabled, including the seven (7) day period, while under the Regular Care and Attendance of a Physician, subject to the maximum number of weeks specified in Coverage Maximums Section or to age sixty-five (65), whichever first occurs.

### Accident Medical Reimbursement Expense

If on account of such injuries the Insured Person shall require treatment by a legally qualified physician or surgeon, confinement in a legally constituted hospital, employment of a trained nurse, x-ray examination or the use of an ambulance, the Company, subject to the maximum amount specified in the Coverage Maximums Section will pay the actual expense incurred therefore within 52 weeks from the date of accident to the extent that such expense (1) exceeds the deductible amount (if any) specified the Coverage Maximums Section and (2) exceeds and does not duplicate the cost of any such services covered under the terms of any statutory plan of health insurance services.

### Accident Dental Expense

When injury to whole and sound teeth shall, within thirty (30) days from the date of the accident, require treatment, replacement or x-rays by a legally qualified dentist or dental surgeon, the Company will pay the necessary expense actually incurred therefore by or behalf of an Insured Person within fifty-two (52) weeks after the date of the accident, not to exceed in the aggregate the amount of Dental Expense stated in the Coverage Maximums Section as the result of any one accident.

Teeth which have been capped or crowned shall, for purposes of this policy, be considered whole and sound except where they have undergone endodontic treatment. If an injury to a capped or crowned tooth causes damage to the remaining tooth structure requiring the preparation of a new cap or crown, the

policy shall cover the cost of treatment necessitated thereby. If a cap or crown is damaged or dislodged without injury to the remaining tooth structure, the policy shall not cover the cost of treatment necessitated thereby.

Any payments made under this section shall be in accordance with the schedule of fees published by the Dental Association in the Province or territory of the Insured Person's residence.

### Burial Benefit

When injuries covered by this policy result in loss of life of an Insured Person within 365 days from the date of the accident, the Company will pay the actual expense incurred for preparing the deceased for burial or cremation but shall not exceed the maximum amount shown in Coverage Maximums Section.

### Repatriation Benefit

When an injury covered by this policy results in loss of life of an Insured Person outside one hundred and fifty (150) kilometers from their city of permanent residence or outside Canada and within 365 days from the date of the accident, the Company will pay the actual expense incurred for preparing the deceased for burial and shipment of the body to the city of residence of the deceased, but not to exceed the maximum amount shown in the Coverage Maximums Section.

### Rehabilitation Benefit

When injuries shall result in a payment being made by the Company under any benefit EXCLUDING the Loss of Life Benefit provided by the policy, the Company will pay in addition:

the reasonable and necessary expenses actually incurred up to the maximum amount shown in the Coverage Maximums Section, for special training of the Insured Employee, provided:

- a) such training is required because of such injuries and in order for the Insured Employee to be qualified to engage in an occupation in which he would not have been engaged except for such injuries;
- b) expenses are incurred within two (2) years from the date of the accident;
- c) no payment will be made for ordinary living, traveling or clothing expenses.

### Family Transportation Benefit

When injuries covered by this policy result in an Insured Person being confined as an in-patient in a hospital outside one hundred and fifty (150) kilometers from the Insured Person's city of permanent residence or outside Canada and requires personal attendance of a member of the immediate family as recommended by the attending Physician, in writing, the Company will pay for the expense incurred by:

the member of the family, for the transportation by the most direct route by a licensed common carrier to the confined Insured Person, but not to exceed the maximum amount shown in the Coverage Maximums Section.

### Spousal Occupational Training Benefit

When injuries to the Insured Employee shall result in a payment being made by the Company under the Loss of Life Benefit section of this policy, the Company will pay in addition:

the expense actually incurred, within 365 days from the date of the accident, by the spouse of the Insured Employee for a formal occupational training program for the purpose of specifically qualifying such spouse to gain active employment in an occupation for which the spouse would otherwise not have sufficient qualifications.

The maximum payable hereunder shall not exceed the maximum amount shown in the Coverage Maximums Section.

### Home Alteration and Vehicle Modification Benefit

In the event an Insured Person sustains an injury which results in a payment being made under the "Schedule of Losses", excluding the Loss of Life Benefit, and such injury subsequently requires the use of a wheelchair to be ambulatory,

## VOLUNTEER ACCIDENT

the Company will pay the reasonable and necessary expenses actually incurred within 365 days from the date of the accident for:

- 1) the one-time cost of alterations to the Insured Person's principal residence to make it wheelchair accessible and habitable; and
- 2) the one-time cost of modifications necessary to a motor vehicle utilized by the Insured Person to make the vehicle accessible or operable for the Insured Person.

Benefit payments will not be paid unless:

- a) home alterations are made by a person or persons experienced in such alterations and recommended by a recognized organization, providing support and assistance to wheelchair users; and
- b) vehicle modifications are carried out by a person or persons with experience in such matters and modifications are approved by the Provincial vehicle licensing authorities.

The maximum payable under both items 1 and 2 combined will not exceed 10% of the Insured Person's amount of Principal Sum to the maximum amount shown in the Coverage Maximums Section.

### Day Care Benefit

If an Insured Person suffers loss of life in a covered accident while the policy is in force, the Company will pay, in addition to all other benefits payable under the policy, a "Day Care Benefit" equal to the reasonable and necessary expenses actually incurred, subject to:

- a) the lesser of 5% of the Insured Person's Principal Sum amount; or
- b) a maximum of \$5,000 per year

for any dependent child who is 12 years of age and under. The dependent child must be enrolled in a legally licensed day care centre on the date of the accident or must be enrolled in a legally licensed day care centre within 365 days following the date of the accident.

The "Day Care Benefit" will be paid each year for four (4) consecutive years, but only upon receipt of satisfactory proof that the child is enrolled in a legally licensed day care centre.

### Special Education Benefit

If an Insured Person suffers loss of life in a covered accident while the policy is in force, the Company will pay, in addition to all other benefits payable under the policy, a "Special Education Benefit", of 5% of the Insured Person's Principal Sum up to a maximum of \$5,000 per year, on behalf of any dependent child who, on the date of the accident, is enrolled as a full-time student in any post-secondary institution of higher learning or was at the 12th grade level and subsequently enrolls as a full-time student in any institution of higher learning within 365 days following the date of the accident.

The "Special Education Benefit" is payable annually for a maximum of four (4) consecutive annual payments but only if the dependent child continues his education as a full-time student in an institution of higher learning.

### Seat Belt Benefit

This benefit is only payable in the event an Insured Person sustains an injury which results in one of the losses payable under the "Schedule of Losses". The Insured Person's amount of Principal Sum will be increased by 10%, to the maximum amount shown in the Coverage Maximums Section, if, at the time of the accident, the Insured Person was driving or riding in a vehicle and wearing a properly fastened seat belt. Due proof of seat belt use must be provided as part of the written proof of loss.

### Identification Benefit

In the event accidental loss of life is sustained by the Insured Person not less than one hundred and fifty (150) kilometers from the Insured Person's normal place of residence and identification of the body by a member of the immediate family has been requested by the police or a similar governmental authority, the Company will reimburse the reasonable expenses actually incurred by such member for:

- a) transportation by the most direct route to the city or town where the body is located; and
- b) hotel accommodation in such city or town, subject to a maximum duration of three (3) days.

The reimbursement of such expenses incurred is subject to the accidental loss of life indemnity being subsequently payable in accordance with the terms of this policy following the identification of the body as the Insured Person. The maximum amount payable will not exceed the maximum amount shown in the Coverage Maximums Section.

Payment will not be made for board or other ordinary living, travelling or clothing expenses, and transportation must occur in a vehicle or device operated under a license for the conveyance of passengers for hire.

### In-Hospital Confinement Monthly Income Benefit

In the event an Insured Person sustains an injury which results in a payment being made under the Loss Schedule of this policy, excluding the Loss of Life Benefit and the Insured Person is confined in a hospital as an in-patient and is under the care of a legally qualified and registered physician or surgeon other than himself, the Company will pay for each full month, one percent (1%) of the Insured Person's Principal Sum, subject to the maximum amount shown in the Coverage Maximums Section, or one-thirtieth of such monthly benefit for each day of partial month, retroactive to the 1st full day of such confinement but not to exceed 30 days in the aggregate for each period of hospital confinement.

**Benefits payable under this section will be limited to only one (1) policy in the event the benefits are contained in two (2) or more policies issued to the Policyholder by the Company** (not applicable to the Schedule of Losses and Exposure and Disappearance).

## GENERAL PROVISIONS - ACCIDENTAL DEATH AND DISMEMBERMENT

### Limitations and Exclusions

This policy does not cover loss caused by or resulting from any one or more of the following:

- a) Intentionally self-inflicted injuries, suicide or any attempt thereof, while sane or insane;
- b) Declared or undeclared war or any act thereof;
- c) Travel or flying in an aircraft owned or leased by the Policyholder, an Insured Person or a member of an Insured Person's household, or aircraft being used for any test or experimental purpose, firefighting, power line inspection, pipeline inspection, aerial photography or exploration;
- d) Losses occurring while the Insured Person is serving on full-time active duty in the Armed Forces of any country or international authority (any premium paid to be returned by the Company pro-rata for any such period of full-time active duty);
- e) Travel or flight in any vehicle or device for aerial navigation; except to the extent such travel or flight is provided in the "Hazards Insured Against" section of the Accidental Death & Dismemberment portion of this policy.
- f) Travel or flight in any vehicle or device for aerial navigation; except to the extent such travel or flight is provided in the "Description of Hazards" section of this proposal;
- g) Medical or surgery, except if the medical treatment or surgery was needed because of an accident;
- h) The purchase, repair or replacement of eyeglasses or contact lenses, or prescriptions thereof;
- i) Charges of a masseur;
- j) X-rays, repair or replacement of pre-existing dentures, fillings or crowns, except as provided in the section entitled Accident Dental Coverage;
- k) Sickness or disease, either as a cause or effect;



## VOLUNTEER ACCIDENT

- I) Experimental drugs not approved by the governing authority having jurisdiction over the matter in the country where such drugs are prescribed and dispensed.

- J. Spousal Occupational Training up to \$15,000  
 K. Home Alteration & Vehicle Modification - 10% to a maximum of \$50,000  
 L. Day Care Benefit - 5%/\$5,000/4 years  
 M. Special Education Benefit - 5%/\$5,000/4 years  
 N. Seat Belt Benefit - 10% to a maximum of \$25,000  
 O. Identification Benefit up to \$15,000  
 P. In Hospital Confinement Monthly Income - 1% to \$1,500

**ACCIDENTAL DEATH AND DISMEMBERMENT  
 HAZARDS INSURED AGAINST**

**Volunteer Coverage**

The Company will pay the benefits described in the policy for any accident which happens while an insured person is performing volunteer duties as assigned and authorized by the insured persons' Strata/Condominium Corporation or by an insured person while performing duties where a small remuneration is paid to the insured person by the insured persons Strata/Condominium Corporation. Travel to and from the insured person's ordinary residence or ordinary place of employment via direct travel along a normal reasonable route, without delay or stopover to assigned and authorized offsite Strata meetings is included.

**Occupational AD&D Summary**

**Eligibility:**

Plan	Description of Class
I	As per current program
II	As per current program
III	As per current program
IV	As per current program

**Eligibility:**

Plan	Principal Sum Amount
I	\$100,000
II	\$200,000
III	\$250,000
IV	\$275,000
Benefit terminates upon attainment of age 85	

**Hazard Wording:** As per attached Hazard A — Description of Hazards — Accident Coverage

**Coverage:**

- A. Enhanced Schedule of Losses - Includes 200% Paralysis Benefits
- B. Total Disability - Weekly Accident Indemnity (under age 70)  
 Weekly Benefit - \$600 per week  
 Maximum Period - up to 52 weeks  
 Waiting Period — 8 days  
 Tax Status - taxable
- C. Home-Maker Weekly Indemnity (under age 65)  
 Weekly Benefit - \$100 per week  
 Maximum Period - up to 26 weeks  
 Waiting Period — 8 days  
 Tax Status - taxable
- D. Accidental Medical Reimbursement Expense - up to \$10,000
- E. Accidental Dental Expense up to \$5,000
- F. Burial Benefit - up to \$3,000
- G. Repatriation up to \$15,000
- H. Rehabilitation up to \$15,000
- I. Family Transportation up to \$15,000

**Endorsement No. 1**

It is hereby understood and agreed that the **Policy** is amended in part to read as follows and not as previously written:

**Benefit terminates upon attainment of age 90.**

Nothing herein contained shall vary, alter or extend any provision other than as above stated

Issued to:

**BFL CANADA Insurance Services Inc.**

Effective Date:

November 01, 2017 at the hour specified in the policy.

Part of the Policy No.:

**SG50078301**

Issued by: **Chubb Life Insurance Company of Canada**

# LEGAL EXPENSES

## Contents

DAS Business for Condominium Corporations Legal Expense Insurance Policy .....	1
Legal helpline .....	1
Making a claim .....	1
Agreement.....	1
Insured events .....	2
Definitions .....	3
Limit of indemnity under this policy .....	4
General exclusions .....	4
Policy conditions .....	5
Statutory conditions .....	6

## DAS Business for Condominium Corporations Legal Expense Insurance Policy

DAS Legal Protection Inc. (**DAS**) acts as the insurance manager and has the authority to issue this insurance policy and administer claims on behalf of Temple Insurance Company (**Temple**). **DAS** and **Temple** are members of the Munich Re (Group).

### Temple Insurance Company

22<sup>nd</sup> Floor, 390 Bay Street, Toronto, Ontario M5H 2Y2

### DAS Legal Protection Insurance Company Limited

22<sup>nd</sup> Floor, 390 Bay Street, Toronto, Ontario M5H 2Y2

THIS POLICY CONTAINS CLAUSES WHICH MAY LIMIT THE AMOUNT PAYABLE.

This is a Named Perils policy and provides coverage only for the insured events listed within this policy.

Words and phrases in **bold** have special meaning as defined in Definitions section.

## Legal helpline

### 1. If you are not based in British Columbia or Alberta

**We** will provide **you** access to a Legal Helpline through which **you** can receive confidential general legal assistance and information over the phone relating to any legal problem affecting **your** business to help determine your legal rights and options under the laws of the applicable province and the federal laws of Canada. The lawyer cannot provide case specific research or review documents.

**We** will provide this service between the hours of 8am and midnight, local time, 7 days a week. In addition, **we** 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 1-877-255-4269.

### 2. If you are based in British Columbia or Alberta

**We** will provide **you** (including a property manager retained by **you** who is seeking legal assistance on **your** behalf) access to a Legal Helpline and email assistance through which **you** can receive confidential general legal assistance and information

over the phone or via email relating to any legal problem affecting **your** business to help determine your legal rights and options under the laws of the applicable province and the federal laws of Canada. The lawyer cannot provide case specific research or review documents.

**We** will provide this service between the hours of 8am and midnight, local time, 7 days a week. In addition, **we** 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 1-866-568-1201 or send **your** query to: [strata.questions@das.ca](mailto:strata.questions@das.ca) if **you** are based in British Columbia; or [condo.questions@das.ca](mailto:condo.questions@das.ca) if **you** are based in Alberta.

**We** will not accept responsibility if the helpline service is unavailable for reasons **we** cannot control.

## Making a claim

Please contact **DAS** as soon as practicable following an insured event, and in no event later than 365 days after the **date of occurrence** of the insured event.

*Please note that Temple will not pay for any legal costs you incur before DAS has accepted your claim, even if DAS later accepts the claim.*

**You** may report a claim to **DAS** by mail at **their** Head Office address: 390 Bay Street, 22<sup>nd</sup> Floor, Toronto, Ontario M5H 2Y2, by email at [claims@das.ca](mailto:claims@das.ca), or by calling your Legal Helpline phone number while you are insured under this policy. **DAS** will then advise **you** on next steps.

## Agreement

In return for payment of the premium, and subject to the policy terms, definitions, conditions, exclusions and limitations set out in this policy and the policy declaration page, the **Insurer** will provide insurance for **legal costs** incurred for insured events described in this policy, provided that:

1. the **date of occurrence** of the insured event happens within the period the **Insurer** has agreed to cover an **insured person**; and
2. the insured event occurs within the **territorial limit** and any legal proceedings will be dealt with by a court, or other body which **we** agree to, within the **territorial limit**; and
3. the **legal costs** are incurred after the claim has been accepted by **us**, and are limited to:
  - a. the reasonable and necessary costs, inclusive of any applicable sales or retail taxes, incurred by the **appointed representative**, including any additional expenses and disbursements such as court fees,

## LEGAL EXPENSES

- experts' fees, police reports and medical reports incurred by the **appointed representative**;
- b. costs awarded by a court in Canada to opponents in civil cases if the **insured person** has been ordered to pay them, or pays them with our agreement; and
  - c. the cost of the **insured person's** net salary or wages, that are not otherwise payable or recoverable, for the time that they are off work to attend any court proceeding, tribunal, arbitration, mediation or other hearing at the request of the **appointed representative**, up to a maximum of \$500 per **insured person** per day, and \$10,000 in total in respect of all claims resulting from any one court or tribunal proceeding, arbitration, mediation or other hearing; and

4. for civil cases and appeals relating to any insured event, **reasonable prospects** exist for the duration of the claim.

Except where stated otherwise, the **Insurer** will not pay **legal costs** incurred with respect to the enforcement of judgments or final orders, or settlement agreements, or minutes of settlement, which may arise in the pursuit or defence of **your** legal rights from an accepted claim under this policy.

Except where stated otherwise, the **Insurer** will pay **legal costs** incurred in making or defending an appeal, as long as:

- the matter being appealed was previously accepted as a claim under this policy,
- the **insured person** tells us within the time limits allowed to file an appeal that they want to appeal (and within reasonable time to allow for the filing of all necessary documents for an appeal), and
- we agree there are **reasonable prospects** of success for the appeal.

The policy, together with the policy declaration page and any endorsement, and incorporating the application and any information **you** have provided, forms the contract of insurance between **you** and the **Insurer**.

**This is not a policy for reimbursement of legal costs you have already incurred.**

---

### Insured events

#### 1. Legal defence

##### What is covered

At **your** request, the **Insurer** will pay **legal costs**

1. to defend an **insured person's** legal rights in relation to
  - i. their being investigated by the police in respect of an alleged **criminal offence**
  - ii. their being prosecuted for an alleged **criminal offence**
  - iii. a civil action being taken against them for compensation in connection with a failure or alleged failure to comply with requirements under protection of privacy legislation
  - iv. an investigation or prosecution against them under applicable occupational health and safety legislation

2. to defend an **insured person's** (other than **your**) legal rights if civil action is taken against them in their capacity as a trustee of a pension fund set up for the benefit of **your** employees
3. to respond to a Notice for Production issued against an **insured person**, under the **Federal Anti-Spam Legislation**
4. to make representations on behalf of an insured person who has been issued a Notice of Violation, under the **Federal Anti-Spam Legislation**
5. to defend **insured person** against a private action brought by an individual made by under **Federal Anti-Spam Legislation**
6. to represent an **insured person** in appealing against the imposition or terms of any statutory notice issued under legislation affecting **your** business.

##### What is not covered

Any claim relating to:

- a) an **insured person** being prosecuted in connection with the ownership, use or operation of a **motor vehicle**
- b) any offence against any **insured person** for refusing to comply with a request by a designated person who is carrying out their duties and functions under the **Federal Anti-Spam Legislation**
- c) any offence against any **insured person** who obstructs or hinders, or knowingly makes a false or misleading statement or provides false or misleading information to, a designated person who is carrying out their duties and functions under the **Federal Anti-Spam Legislation**.

#### 2. Contract disputes and debt recovery

##### What is covered

The **Insurer** will pay **legal costs** to pursue or defend **your** legal rights in a dispute relating to an agreement or an alleged agreement which has been entered into by **you** or on **your** behalf for

1. selling or buying **goods**
2. providing or obtaining services.

##### Provided that

- a) *the amount in dispute exceeds \$500*

##### What is not covered

Any claim relating to:

- a) the settlement payable under an insurance policy (the **Insurer** will cover a dispute arising from **your** insurer refusing **your** claim, but not a dispute over the amount of the claim).
- b) a dispute arising from any loan, mortgage, pension, investment, borrowing or any other financial product (other than described under (b) above).
- c) a dispute over the terms of a lease of land or buildings or a licence or tenancy of land or buildings if **you** are the lessor, licensor or landlord of the land or buildings. However, the **Insurer** will cover a dispute with a professional advisor in connection with the drafting of a lease, licence or tenancy agreement
- d) a contract regarding you purchasing or selling **real property**
- e) a contract for legal services
- f) a contract involving a **motor vehicle** other than agreements relating to the sale of **motor vehicles** where **you** are engaged in the business of purchasing, selling, or leasing

## LEGAL EXPENSES

**motor vehicles**; or agreements related to the repair and/or maintenance of **motor vehicles** where **you** are engaged in the business of repairing and/or performing maintenance upon **motor vehicles**

- g) a dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with **you**
- h) the breach of a professional obligation or duty, including any claim:
  - i. based on professional liability,
  - ii. based on the commission of a fault of an ethical nature, or arising out of a disciplinary process

### 3. Property protection

#### What is covered

The **Insurer** will pay **legal costs** to pursue **your** legal rights in a civil action relating to physical property which **you** own following:

- 1. an event which causes physical damage to such property, or
- 2. a trespass.

#### What is not covered

Any claim relating to:

- a) a contract entered into by **you**
- b) disputes related to easements or other agreed rights over land
- c) **goods** that are away from any premises occupied by **you** unless the **goods** are at such premises for the purpose of installations or use in work to be carried out by **you**
- d) someone legally taking **your real property** from **you**, whether **you** are offered money or not, or restrictions or controls placed on **your real property** by any governmental, quasi- governmental or public or local authority
- e) work done by, or on behalf of, any governmental, quasi- governmental or public or local authority unless the claim is for accidental physical damage
- f) a **motor vehicle**, other than physical damage to **motor vehicles** where **you** are engaged in the business of purchasing, selling, leasing, repairing or performing maintenance upon **motor vehicles**
- g) mining, subsidence, heave or landslide
- h) defending **your** legal rights, other than in defending a counter-claim

### 4. Bodily injury

#### What is covered

At **your** request, the **Insurer** will pay an **insured person's legal costs** to pursue their legal rights following a specific or sudden accident which causes their death or bodily injury.

#### What is not covered

Any claim relating to:

- a) a dispute with any provincial workers' compensation board
- b) psychological injury or mental illness unless the condition arises from a specific or sudden accident that has caused physical bodily injury
- c) death, illness or bodily injury arising from a sudden accident which involves an **insured person's** ownership, use or operation of a **motor vehicle**
- d) defending an **insured person's** legal rights, other than in defending a counter-claim

### 5. Condominium / strata council and owner disputes (British Columbia and Alberta only)

#### What is covered

The **insurer** will pay **your legal costs** to defend a legal dispute brought against **you** by an **Owner** or group of **Owners** arising out of:

- 1. a breach or alleged breach of any of **your** by-laws or regulations; or
- 2. an incident that caused physical damage to one or more **Owner's units** and/or to common property, provided that the Statement of Claim, Dispute Notice, Notice of Civil Action, or Notice Beginning Arbitration, as the case may be, alleges that **you** failed to maintain or repair common property or that **you** were negligent in how **you** responded to the incident that caused the damage.

#### What is not covered

Any claim relating to:

- a) the payment or non-payment of any fee owed by an **Owner** to **you**;
- b) **you** and a person who is not an **Owner**; or
- c) a contract entered into by an **Owner**.

---

### Definitions

The following definitions apply wherever these words or phrases appear in bold in the policy.

#### Appointed representative

The lawyer, accountant or other suitably qualified person appointed by **us** on behalf of the **insured person** to act for an **insured person**.

#### Broker

The company, as identified on the Policy Declaration Page for this DAS policy, which facilitated the purchase of this DAS Policy by **you**.

#### Criminal offence

An offence under the Criminal Code of Canada (R.S.C., 1985, c. C-46).

#### Date of occurrence

- 1. For civil cases: the date of the event which leads to a claim. If there is more than one event arising at different times from the same originating cause, the **date of occurrence** is the date of the first of these events.
- 2. For criminal cases: the date of the alleged criminal offence, or the earliest date in a series of related alleged criminal offences, for which an **insured person** is charged.

The insured event must occur within the period the **Insurer** has agreed to cover the **insured person**.

#### Federal Anti-Spam Legislation

An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications

## LEGAL EXPENSES

Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act, S.C. 2010, c. 23

### Goods

Any object which is not attached to **real property**, except by its own weight, and can be removed without damage or alterations to the **real property** requiring repair.

Any object which is plugged in and can be removed without any damage or alteration to the **real property**.

### Insured person

**You** and **your** directors, officers, council members or other similar office holders who are appointed or elected to that office pursuant to applicable residential condominium or strata legislation.

Anyone claiming under this policy must have **your** agreement to claim.

### Insurer

Temple Insurance Company

### Legal costs

In respect of the insured events described in this policy:

1. all reasonable and necessary costs, inclusive of any applicable sales or retail taxes, incurred by the **appointed representative** including any additional expenses and disbursements such as court fees, experts' fees, police reports and medical reports incurred by the **appointed representative**;
2. the costs awarded by a court in Canada to opponents in civil cases if the **insured person** has been ordered to pay them, or pays them with **our** agreement; and
3. the **insured person's** net salary or wages, that are not otherwise payable or recoverable, for the time that they are off work to attend any court proceeding, tribunal, arbitration, mediation or other hearing at the request of the **appointed representative**, up to a maximum of \$500 per **insured person** per day, and \$10,000 in total in respect of all claims resulting from any one court or tribunal proceeding, arbitration, mediation or other hearing.

### Motor vehicle

Includes an automobile, a motorcycle, a motor assisted bicycle, and any other vehicle propelled or driven otherwise than by muscular power.

### Reasonable prospects

For civil cases **reasonable prospects** means that **we** agree that it is always more likely than not that an **insured person** will recover losses or damages (or obtain other legal remedy which **we** have agreed to) or make a successful defence.

For appeals relating to any insured event, **reasonable prospects** means that **we** agree that it is always more likely than not that the appeal will be successful.

### Real property

Real property is land, and anything growing on, affixed to, or built upon land. This also includes man-made buildings as well as crops.

Real property is characterized as property that doesn't move, or that is attached to the land.

### Territorial limit

For **Insured events 1 – 4**: Canada.

For **insured event 5. Condominium / strata council and owner disputes**: British Columbia and Alberta only.

### We, us, our

DAS Legal Protection Inc. who has been authorized by the **Insurer** to act as the insurance manager for this policy.

### You, your

The corporation or partnership shown in the Policy Declaration Page as the policyholder.

---

### Limit of indemnity under this policy

The **Insurer** will pay up to the limit of indemnity shown in the policy declaration page in respect of **legal costs** related to all claims resulting from one or more events arising at the same time or from the same originating cause.

Subject to the above, the **Insurer** will pay, in aggregate, **legal costs** of no more than the aggregate limit shown in the policy declaration page in respect of all claims that arise in that period of insurance that result from different originating causes.

---

### General exclusions

This insurance does not apply to:

1. **Events not connected with your business**  
Any event not arising in connection with the business shown in **your** policy declaration page.
2. **Wilful acts**  
Any claim resulting from an act which is wilfully committed, and the results of which are consciously intended, by an **insured person**.
3. **Late reported claims**  
A claim reported to **us** more than 365 days after the **date of occurrence**.
4. **Legal costs not agreed with us**  
**Legal costs** incurred before **our** written agreement that the **Insurer** will pay them.
5. **Legal action not agreed with us**  
Legal action an **insured person** takes which **we** or the **appointed representative** have not agreed to or where an **insured person** does anything that hinders **us** or the **appointed representative**.
6. **Contingency fee agreements**  
Any **legal costs** arising as a consequence of a contingency fee agreement.
7. **Disputes with any governmental or public body**  
Except as it relates to claims accepted under **Insured events 1. Legal defence, 2. Contract disputes and debt recovery**, any **legal costs** relating to a review or dispute regarding the lawfulness of any decision or action of any federal or provincial governmental or quasi – governmental body, or any other local or public authority, other than in

## LEGAL EXPENSES

relation to an accepted claim in respect of any event insured under this policy.

### 8. Class action proceedings

Any claim where an **insured person** is a party to a legal action brought under applicable class proceedings legislation, or where an **insured person** has opted out of being a party to a legal action brought under applicable class proceedings legislation.

### 9. Costs awarded outside of Canada

Any **legal costs** awarded in any jurisdiction outside of Canada.

### 10. Damages, fines and penalties

Damages, fines, penalties, compensation or restitution orders which the **insured person** is ordered to pay by a court or other authority and any costs awarded in criminal or statutory proceedings.

### 11. Disputes with DAS, the Insurer, or the Broker

Any dispute with **us**, the **Insurer**, or the **Broker** not otherwise dealt with under **Policy condition 10. Disputes over reasonable prospects for a claim**.

### 12. Fraudulent claims

Any claim which is fraudulent, exaggerated or dishonest.

### 13. Claims under this policy by a third party

Apart from **us**, only an **insured person** may enforce all or any part of this policy and the rights and interests arising from or connected with it.

### 14. Nuclear, war, terrorism and pollution or contamination risks

Any claim caused by, contributed to, or arising from any of the following:

- a) war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- b) an event which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
- c) terrorism or a decision of a government agency or other entity to prevent, respond to or terminate terrorism;
- d) pollution or contamination.

### 15. Bankruptcy of policyholder

Any matter or claim if, at any time:

- a) **you** are declared bankrupt, placed into receivership, are in the process of being wound-up or if any part of **your** affairs or property is in liquidation;
- b) **you** have made a proposal, petition, filing or arrangement for the benefit of any creditor or creditors;
- c) a creditor seeks to have **you** placed into bankruptcy, declared insolvent, liquidated or be wound-up;
- d) any of **your** property is placed under the care or control of a trustee, receiver or administrator.

### 16. Intellectual property disputes

Any claim related to disputes about patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.

### 17. Agency agreement disputes

Any claim relating to rights under a franchise or agency agreement entered into by **you**.

### 18. Shareholding or partnership disputes

Disputes about a shareholding or partnership interest in **you** unless such shareholding or partnership interest was

acquired under a plan open to all of **your** employees or a substantial number of them.

### 19. Defamation

A claim relating to written or oral remarks which damage an **insured person's** reputation.

### 20. Disputes relating to the validity of legislation

Any constitutional or other challenge to the validity of Federal, Provincial, or Municipal Legislation.

---

## Policy conditions

### 1. Observance of policy terms

The **insured person** must:

- a) comply with the terms and conditions of this policy;
- b) notify **us** immediately of any change in circumstance which may materially affect **our** assessment of the risk;
- c) take reasonable steps to avoid and prevent claims;
- d) take reasonable steps to avoid incurring unnecessary costs;
- e) send everything **we** reasonably ask for in writing;
- f) report to **us** full and factual details of any claim as soon as practicable and give **us** any information **we** reasonably need.

### 2. Notice of Insured Event

The **insured person** shall notify **us** of any insured event which may give rise to coverage, as soon as they become aware of it. Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to coverage shall be forfeited by the person insured where such non-compliance has caused prejudice to **us**.

### 3. Conduct and control of claim

- a) If it is necessary to take legal proceedings, including a **tax appeal**, an **appointed representative** will be appointed by **us** on behalf of the **insured person** in accordance with **our** standard terms of appointment and will be retained by the **insured person**.
- b) Where **we** have agreements with more than one law firm with respect to a specialty, the **insured person** may select their **appointed representative** from that panel of law firms.
- c) The **insured person** must cooperate with **us** and must keep **us** up-to-date regarding the progress of the claim.
- d) The **insured person** must cooperate with the **appointed representative** and must follow the recommendations of the **appointed representative**, which have been agreed to by **us**.
- e) The **insured person** must give the **appointed representative** any instructions that **we** require.

### 4. Consent to access information

The **insured person** will provide written consent, at the commencement of the retainer of the **appointed representative**, permitting the **appointed representative**, at **our** request, to give **us**, or **our** reinsurers, actuaries or auditors, or any regulatory authority or its agents, to the extent required by law, access to all correspondence, documents and records in the **appointed representative's** possession or control which are relevant to the matter. This consent will include permission to deliver up all such documents or copies of all such documents at **our** request.

### 5. Offers to settle a claim

## LEGAL EXPENSES

- a) The **insured person** must tell **us** if anyone offers to settle a claim and must not negotiate or agree to a settlement without **our** written consent.
  - b) If the **insured person** does not accept an offer **we**, based on the advice of the **appointed representative**, consider reasonable to settle a claim, **we** may refuse to pay further **legal costs**.
  - c) **We** reserve the right to pay the **insured person** the reasonable amount of damages that the **insured person** is claiming, or that is being claimed against them, or negotiate a reasonable settlement of any claim, instead of starting or continuing legal proceedings. In these circumstances the **insured person** must allow **us** to take over and conduct in their name the pursuit or settlement of any claim. The **insured person** will also allow **us** to pursue at **our** own expense and for **our** own benefit, any claim for compensation against any other party and must give **us** all information and assistance required.
- 6. Withdrawal of coverage**  
If an **insured person** settles or negotiates a claim without **our** consent, or withdraws a claim without **our** consent, or does not give to the **appointed representative** any instructions that **we** require, **we** can withdraw coverage and will be entitled to reclaim from the **insured person** any **legal costs we** have paid.
- 7. Sanction limitation**  
The **Insurer** shall not be deemed to provide coverage and the **Insurer** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that the **Insurer** to any sanction, prohibition or restriction under trade or economic sanctions, laws, or regulations of Canada, the United Nations, or the European Union.
- 8. Assessment and recovery of costs**
- a) The **insured person** must instruct the **appointed representative** to have **legal costs** taxed, assessed or audited if **we** ask for this.
  - b) The **insured person** must take every reasonable step to recover **legal costs** that **we** have to pay and must pay **us** any amounts that are recovered.
  - c) Where a settlement is made on a without costs basis the **appointed representative** will determine what proportion of that settlement will be deemed **legal costs** and payable to or by **us**.
- 9. Cancellation of a representative's appointment**  
If the **appointed representative** refuses to continue acting for the **insured person**, or if the **insured person** dismisses the **appointed representative** without **our** prior consent, the coverage the **Insurer** provides will end immediately.
- 10. Disputes over reasonable prospects for a claim**  
If there is a dispute between an **insured person** and **us** over **reasonable prospects**, the **insured person** may obtain, at their expense, an opinion, from a lawyer mutually agreed to by the **insured person** and **us**, on the merits of a claim or proceedings. If the lawyer's opinion indicates that **reasonable prospects** exist, **we** will pay the reasonable cost of obtaining the opinion.
- 11. Complaint handling**  
If **you** are not satisfied with any aspect of **our** service, please write to **us** at DAS Legal Protection Inc., 390 Bay Street, 22nd Floor, Toronto, Ontario M5H 2Y2. Alternatively **you**

can telephone **us** at 1-888-582-5586 or email **us** at [customerrelations@das.ca](mailto:customerrelations@das.ca).

Alternatively **you** may write to the **Insurer** at Complaints Officer, Temple Insurance Company, 390 Bay Street, 22<sup>nd</sup> Floor, Toronto, Ontario M5H 2Y2. Alternatively **you** can telephone the **Insurer** toll-free at 1-877-364-2851, or email the **Insurer** at [complaintofficer@templeins.com](mailto:complaintofficer@templeins.com), or send a fax to 416-361-1163.

If **you** are still not happy, **you** can contact the General Insurance OmbudService (GIO). The GIO is an independent organization which exists to help resolve problems between individuals and their insurance providers. The GIO's services are available free of charge to the customer and the GIO can be contacted by telephone (toll-free Number 1-877-225-0446), or through their website at [www.giocanada.org](http://www.giocanada.org). The GIO should be contacted only after **you** have first tried to resolve the issue directly with **us**.

### 12. Other insurance

This policy shall apply only as excess over, and shall not contribute with, any other valid and collectible insurance available to any **insured person**, unless such insurance is written specifically excess of this policy by reference in such other policy to this policy. This policy will not be subject to the terms of any other insurance.

### 13. Applicable law

This policy will be governed, interpreted and enforced in accordance with the laws of the province where this policy was issued and the federal laws of Canada.

### 14. Currency

All of the dollar limits described in this policy are in Canadian funds.

### 15. Action against us or the Insurer

Any action or proceeding against **us** or the **Insurer** for the recovery of any claim under this policy is absolutely barred unless commenced within two years after the **date of occurrence**, or prior to the expiry of the applicable limitation period in the province where this policy was issued, whichever is earlier. Any such action or proceeding shall be held in the province where this policy was issued and in accordance with its laws and the federal laws of Canada.

### 16. Communication with us

The **insured person** can communicate with **us** by telephone, mail or email. New claims may also be reported to **us** by mail or telephone, or via **our** website.

---

### Statutory conditions

#### 1. Property of others

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

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

#### 2. 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.

#### 3. Material change in risk

- 1) The **insured person** must promptly give notice in writing to the **Insurer** or its agent of a change that is

## LEGAL EXPENSES

- a) material to the risk, and
  - b) within the control and knowledge of the **insured person**.
- 2) If the **Insurer** or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
  - 3) If the **Insurer** or its agent is notified of a change under subparagraph (1) of this condition, the **Insurer** may
    - a) terminate the contract in accordance with Statutory Condition 4, or
    - b) notify the **insured person** in writing that, if the **insured person** desires the contract to continue in force, the **insured person** must, within 15 days after receipt of the notice, pay to the **Insurer** an additional premium specified in the notice.
  - 4) If the **insured person** fails to pay an additional premium when required to do so under subparagraph (3)(b) of this condition, the contract is terminated at that time and Statutory Condition 4(2)(a) applies in respect of the unearned portion of the premium.
- 4. Termination of insurance**
- 1) The contract may be terminated
    - a) by the **Insurer** giving to the **insured person** 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
    - b) by the **insured person** at any time on request.
  - 2) If the contract is terminated by the **Insurer**,
    - a) the **Insurer** must refund the excess of premium actually paid by the insured person 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.
  - 3) If the contract is terminated by the **insured person**, the **Insurer** must refund as soon as practicable the excess of premium actually paid by the **insured person** 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
  - 4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the **insured person's** postal address
- 5. 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.
- 6. Notice**
- 1) 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.
  - 2) Written notice to the **insured person** may be personally delivered at, or sent by registered mail addressed to, the **insured person's** last known address as provided to the **Insurer** by the **insured person**.

### DAS Legal Protection Inc.

22<sup>nd</sup> Floor, 390 Bay Street, Toronto ON M5H 2Y2

www.das.ca

Telephone: 416-342-5400 or 1-888-582-5586

**If you have any other questions about your policy, please contact your broker.**

---

### Our Privacy Policy

DAS and Temple value you as a customer and we thank you for your confidence in choosing our company as your insurer. As a policyholder, you trust us with your personal information. By purchasing insurance from us you have provided us with your consent to the collection, use and disclosure of your personal information, including information that has been previously collected.

Your personal information may be used or disclosed in certain circumstances, which include:

- For the purposes of communicating with you;
- Assessing your application for insurance and underwriting your policies;
- Evaluating claims;
- Detecting and preventing fraud;
- Analyzing business data and results;
- Disclosing information to an approved investigative body;
- Disclosing information as it relates to a breach of an insurance policy or other agreement;
- When we believe that the information relates to the contravention of any applicable law;
- When legal, medical or security reasons may make it impossible or impractical to seek consent;
- For compliance with summons to witness, search warrants or other judicial or governmental order(s);
- When we are required by law to disclose the information.

This list is not exhaustive. However, your personal information will always be used or disclosed in accordance with applicable Canadian privacy laws. Temple, DAS and its employees, agents, independent brokers and suppliers understand the importance of keeping your personal information protected and confidential. Information will be used only for the purposes intended. Temple and DAS have also established physical and systems safeguards, along with proper processes, to protect customer information from unauthorized access or use.

For further information, please see our Privacy Policy on our website at:

English:

<https://www.munichre.com/ca/risk-solutions/service/privacy-statement/index.html>

French:

<https://www.munichre.com/ca/risk-solutions/service/Politique-de-confidentialite/index.html>

For our Customer Complaint Procedures, please see our website at:

English:

<https://www.munichre.com/ca/risk-solutions/service/complaints/index.html>



## LEGAL EXPENSES

French:

<https://www.munichre.com/ca/risk-solutions/service/Politique-de-confidentialite/index.html>

You may also contact the Temple Insurance Privacy Officer, as follows:

In writing:

Privacy Officer

Temple Insurance Company 390 Bay Street, 22nd Floor Toronto, Ontario M5H 2Y2

By Email: [privacyofficer@templeins.com](mailto:privacyofficer@templeins.com)

By Phone: 416-364-2851 or toll-free at 1-877-364-2851 By Fax: 416-361-1163

# TERRORISM

## Physical Loss or Physical Damage Riots, Strikes, Civil Commotion, Malicious Damage, Terrorism and Sabotage Insurance

Some of the words Underwriters use have a special meaning in this Insurance. If a word is in bold type, please read the Definitions section.

### INSURING CLAUSE

Subject to the exclusions, limits and conditions hereinafter contained, this Insurance covers property as stated in the Schedule against direct physical loss or physical damage to tangible property caused by a Listed Peril occurring during the period of this Insurance.

This Policy also insures any act of any lawfully constituted Authority for the purpose of suppressing or minimising the consequence of any existing disturbance of the public peace as a direct result of a Listed Peril occurring during the period of this Insurance or for the purpose of preventing any such act as described herein or minimising the consequences thereof.

### DEFINITIONS

**Occurrence** means each and every loss or series of losses arising out of and directly caused by one event. However, the duration and extent of any one Terrorism and/or Sabotage "Occurrence" shall be limited to direct physical loss or physical damage which occurs within a period of 72 consecutive hours. No such period of 72 hours may extend beyond the expiry of this Insurance unless the Insured shall first sustain direct physical loss or physical damage by an Act of Terrorism and/or Sabotage before the expiry of this Insurance and within the aforesaid period of 72 consecutive hours, nor shall any period of 72 consecutive hours commence before the start of this Insurance.

**Listed Peril** means any of the perils listed and defined below, or any combination thereof:

**Civil Commotion** means a substantial violent uprising by a large number of persons assembled together and acting with common purpose or intent.

**Malicious Damage** means the loss, damage or destruction of property caused by the actions of anyone intending to cause harm or mischief during the disturbance of the public peace.

**Riot** means a violent disturbance by a group of persons assembled together for a common purpose which threatens the public peace.

**Sabotage** means a subversive act or series of acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

**Strike** means a work stoppage to enforce demands made on an employer or to protest against an act or condition.

**Terrorism** means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

### LOSSES EXCLUDED

This Insurance does not cover:-

1. Loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, or usurpation of power.
3. Loss by seizure or legal or illegal occupation unless physical loss or damage is caused directly by a Listed Peril.
4. Loss or damage caused by confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
5. Loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants

and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

However, this exclusion does not apply to direct physical loss or damage to property as stated in the Schedule when such pollutants or contaminants are the result of a Listed Peril as insured under this policy.

6. Loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.
7. Loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind. However, this exclusion does not apply to direct physical loss or damage to asbestos which is itself physically incorporated in an insured building or structure and then only that part of the asbestos which is physically damaged during the period of insurance by a Listed Peril as insured under this Policy.
8. Any fine or penalty or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person.
9. Loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Insurance) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
10. Loss or damage caused by measures taken to prevent, suppress or control an actual or potential Listed Peril unless agreed by the Underwriters in writing prior to such measures being taken.
11. Any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working.
12. Loss or increased cost as a result of threat or hoax.
13. Loss or damage caused by or arising out of burglary, house - breaking, looting, theft or larceny unless such burglary, house - braking, looting, theft or larceny is a direct consequence of a Listed Peril insured under this policy. Notwithstanding the foregoing, theft or larceny committed by or in collusion with any principal, shareholder (beneficial or otherwise), partner, director or other officer or any employee of the Insured is excluded hereunder.
14. Loss or damage caused by mysterious disappearance or unexplained loss.

### COVERAGE EXTENSIONS

1. **DEMOLITION AND INCREASED COST OF CONSTRUCTION**

In the event of physical loss or damage occurring during the period of this Policy caused by a Listed Peril Insured under this policy that causes the enforcement of any law or ordinance at the time of physical loss or damage regulating the construction repair or use of property, this Underwriter shall be liable for:

  - a. The cost of demolishing the undamaged property including the cost of clearing the site;
  - b. The proportion that the value of the undamaged part of the property bore to the value of the entire property prior to loss;
  - c. Increased cost of repair or reconstruction of the damaged and undamaged property on the same or another site and limited to the costs that would have been incurred in order to comply with the minimum requirements of such law or ordinance regulating the repair or reconstruction of the damaged property on the same site. However, this Underwriter shall not be liable for any increased cost of construction loss unless the damaged property is actually rebuilt or replaced;
  - d. Any increase in the Business Interruption, and Extra Expense, Rental

## TERRORISM

Value and Royalties loss arising out of the additional time required to comply with said law or ordinance.

The Insured's obligation under the terms and conditions of any lease agreement or contract, to replace on the basis other than indicated in the foregoing.

The liability of the Underwriters under this extension shall not exceed the Sublimit as shown in the Schedule any one occurrence.

### 2. EXPEDITING EXPENSES

This policy extends to include extra charges such as overtime, night work, including while been done on Public Holidays, costs incurred in the provision of extra plant test equipment and the like and express freight or other rapid means of transportation including air freight provided that such extra charges are incurred in connection with any physical loss or damage occurring during the period of this Policy caused by a Listed Peril to the property insured hereunder.

The liability of the Underwriters under this extension shall not exceed the Sublimit as shown in the Schedule any one occurrence.

### 3. FIRE BRIGADE CHARGES AND EXTINGUISHING EXPENSES

This policy covers the following expenses resulting from direct physical loss or damage caused by a Listed Peril occurring during the period of this policy to the property insured hereunder:

1. fire brigade charges and other extinguishing expenses for which the Insured may be assessed;
2. loss of fire extinguishing materials expended.

The liability of the Underwriters under this extension shall not exceed the Sublimit as shown in the Schedule any one occurrence.

### 4. UNINTENTIONAL ERRORS OR OMISSIONS

If direct physical loss or damage caused by a Listed Peril occurring during the period of this policy is not payable under this "policy" solely due to an unintentional error or omission:

- 1) in the description of where insured property is physically located;
- 2) to include any "location":
  - a) owned, rented, leased, constructed or used by the Insured on the effective date of this "policy"; or
  - b) purchased, rented, leased, constructed or used by the Insured during the term of this "policy"; or
- 3) that results in cancellation of the property insured under this "policy"; this policy covers such direct physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

It is a condition of this Additional Coverage that any error or unintentional omission be reported by the Insured to the Underwriter when discovered and corrected.

The liability of the Underwriters under this extension shall not exceed the Sublimit as shown in the Schedule any one occurrence.

### 5. LEASEHOLD INTEREST

1. Pro rata proportion from the date of loss to expiration date of the lease (to be paid without discount) on the Insured's interest in:
  - a. the amount of bonus paid by the Insured for the acquisition of the lease not recoverable under the terms of the lease for the unexpired term of the lease;
  - b. improvements and betterments to real property during the unexpired term of the lease which is not covered under any other section of this policy;
  - c. the amount of advance rental paid by the Insured and not recoverable under the terms of the lease for the unexpired term of the lease; when property is rendered wholly or partially untenable as a direct result of physical damage caused by an Act of Terrorism and/or an Act of Sabotage occurring during the period of this policy and the lease is canceled by the lessor in accordance with the conditions of the lease or by statutory requirements of the appropriate jurisdiction in which the damaged or destroyed property is located; and
2. a. "Interest of the Insured as Lessee or Lessor" when property is rendered wholly or partially untenable caused by an Act of

Terrorism and/or an Act of Sabotage occurring during the period of this policy and the lease is canceled by the party not the Named Insured under this policy in accordance with the conditions of the lease or by statutory requirements of the appropriate jurisdiction in which the damaged or destroyed property is located.

- b. The "Interest of the Insured as Lessee or Lessor" as referred to herein shall be paid for the first three months succeeding the date of the loss and the "Net Lease Interest" shall be paid for the remaining months of the unexpired lease.

### 3. Definitions:

The following terms, wherever used in this Policy shall mean as follows:

- a. the "Interest of the Insured as Lessee" is defined as:
  - (1) the excess of the rental value of similar premises over the actual rental payable by the lessee (including any maintenance or operating charges paid by the lessee) during the unexpired term of the lease.
  - (2) the rental income earned by the Insured from sublease agreements, to the extent not covered under any other section of this policy, over and above the rental expenses specified in the lease between the Insured and the lessor.
- b. "Net Lease Interest" is defined as that sum, which placed at 6% interest compounded annually will be equivalent to the "Interest of the Insured as Lessee".

4. This Underwriter shall not be liable for any increase of loss which may be occasioned by the suspension, lapse or cancellation of any license or by the Insured exercising an option to cancel the lease.

The liability of the Underwriters under this extension shall not exceed the Sublimit as shown in the Schedule any one occurrence.

### PROPERTY EXCLUDED

This Insurance does not cover direct or indirect physical loss or physical damage to:

1. Land or land values.
2. Power transmission, feeder lines or pipelines beyond 1000 feet from the Insured's premises.
3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.
4. Aircraft or any other aerial device, or watercraft.
5. Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declared hereon and solely whilst located at the property insured herein at the time of its damage.
6. Animals, plants and living things of all types.
7. Property in transit not on the Insured's premises.

### CONDITIONS

#### 1. JOINT INSUREDS

The Underwriters' total liability for any loss or losses sustained by any one or more of the Insureds under this Insurance will not exceed the Sum Insured stated in the Schedule. The Underwriters shall have no liability in excess of the Sum Insured whether such amounts consist of insured losses sustained by all of the Insureds or any one or more of the Insureds.

#### 2. OTHER INSURANCE

This Insurance shall be excess of any other insurance available to the Insured covering a loss or damage covered hereunder except such other insurance which is written specifically as excess insurance over this Insurance. When this Insurance is written specifically in excess of other insurance covering a Listed Peril, this Insurance shall not apply until such time as the amount of the underlying insurance, (whether

## TERRORISM

collectible or not), has been exhausted by loss and/or damage covered by this Insurance in excess of the Deductible (if any) with respect to each and every covered loss and/or damage.

### 3. SITUATION

This Insurance covers tangible property located at the addresses stated in the Schedule.

### 4. SUM INSURED

The Underwriters hereon shall not be liable for more than the Sum Insured stated in the Schedule in respect of each Occurrence and in the aggregate during the Period of Insurance.

### 5. DEDUCTIBLE

Each Occurrence shall be adjusted separately and from each such adjusted amount the sum stated in the Schedule shall be deducted.

### 6. DEBRIS REMOVAL

This Insurance also covers, within the Sum Insured stated in the Schedule, expenses incurred in the removal from the insured location of debris of property stated in the Schedule damaged by a Listed Peril.

The cost of removal of debris shall not be considered in determination of the valuation of the property covered.

### 7. DUE DILIGENCE

The Insured (or any of the Insured's agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the property insured, to avoid or diminish any loss or damage herein insured and to secure compensation for any such loss or damage including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.

### 8. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the property insured shall be maintained in good order throughout the Period of Insurance and shall be in use at all times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their consent.

### 9. VALUATION

It is understood that, in the event of loss or damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions: -

- The repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch.
- Until replacement has been effected the amount of liability under this Insurance in respect of loss or damage shall be limited to the actual cash value at the time of loss or damage.
- If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Insurance.

The Underwriters' liability for loss or damage under this Insurance shall not exceed the smallest of the following amounts: -

- The total declared value applicable to the destroyed or damaged property.
- The replacement cost of the property or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss or damage.
- The amount actually and necessarily expended in replacing said property or any part thereof.

The Underwriters will normally expect the Insured to carry out repair or replacement of the property insured, but if the Insured and the Underwriters agree that it is not practicable or reasonable to do this, the Underwriters will pay the Insured an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred. The Underwriters will only pay the Insured up to the Sum Insured stated in the Schedule.

### 10. NOTIFICATION OF CLAIMS

The Insured, upon knowledge of any event likely to give rise to a claim hereunder, shall give written advice as soon as reasonably practicable to the Underwriters via the Insured's Broker, who is to advise the Underwriters within seven (7) days of such knowledge of any event and it is a condition precedent to the liability of the Underwriters that such notification is given by the Insured as provided for by this Insurance.

If the Insured makes a claim under this Insurance he must give the Underwriters such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of any claim. If required by the Underwriters, the Insured must submit to examination under oath by any person designated by the Underwriters.

### 11. PROOF OF LOSS OR DAMAGE

The Insured shall render a signed and sworn proof of loss or damage within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of the Underwriters) stating the time, place and cause of loss or damage, the interest of the Insured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

If the Underwriters have not received such proof of loss or damage within two years of the expiry date of this Insurance, they shall be discharged from all liability hereunder.

In any claim and/or action, suit or proceeding to enforce a claim for loss or damage under this Insurance, the burden of proving that the loss or damage is recoverable under this Insurance and that no limitation or exclusion of this Insurance applies and the quantum of loss or damage shall fall upon the Insured.

### 12. SUBROGATION

Any release from liability entered into in writing by the Insured prior to loss or damage herein insured shall not affect this Insurance or the right of the Insured to recover hereunder. The right of subrogation against any of the Insured's subsidiary or affiliated companies or any other companies associated with the Insured through ownership or management is waived;

In the event of any payment under this Insurance, the Underwriters shall be subrogated to the extent of such payment to all the Insured's right of recovery therefor. The Insured shall execute all papers required, shall cooperate with the Underwriters and, upon the Underwriters' request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. The Underwriters will act in concert with all other interests concerned (including the Insured) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:

- any interest, (including the Insured's), exclusive of any Deductible or self insured retention, suffering loss or damage of the type covered by this Insurance and in excess of the coverage under this Insurance shall be reimbursed up to the amount of such loss or damage (excluding the amount of the Deductible);
- out of the balance remaining, the Underwriters shall be reimbursed to the extent of payment under this Insurance
- the remaining balance, if any, shall inure to the benefit of the Insured, or any insurer providing insurance primary to this Insurance, with respect to the amount of such primary insurance, deductible, self insured retention, and/or loss or damage of a type not covered by this Insurance.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the Insured, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted

## TERRORISM

- solely on the initiative of the Underwriters, the expense thereof shall be borne by the Underwriters.
13. **SALVAGE AND RECOVERIES**  
All salvages, recoveries and payments recovered or received subsequent to a settlement under this Insurance shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.
14. **INNOCENT MISREPRESENTATION OR NON-DISCLOSURE CLAUSE**  
Where there has been non-disclosure or misrepresentation of any information disclosed by the Insured, and the Insured can establish to the Underwriters satisfaction that any such nondisclosure or misrepresentation was innocent and that the Insured took all reasonable steps and made every effort to collect and disclose all relevant information whether at inception or at renewal, then the Insurer will waive its right to deny liability or avoid this Policy, provided that:
- (i) where the non-disclosure or misrepresentation was such that without it the Underwriter would not have entered into the Policy, the Underwriter may avoid the Policy and provide a refund of any premium paid;
  - (ii) where the non-disclosure or misrepresentation was such that the Underwriter would have entered into the Policy but on different terms as to the premium, the Insured shall be liable to pay the additional premium that would have been charged by the Underwriter;
  - (iii) in addition to (ii) above, where the non-disclosure or misrepresentation was such that the Underwriter would have underwritten the risk on different terms other than in relation to the premium, the Underwriter shall be able to impose such additional or different terms, with such term(s) taking effect as if imposed from inception.
15. **FALSE OR FRAUDULENT CLAIMS**  
If a claim is fraudulent in any respect, or if fraudulent means are used by the Insured to obtain any benefit under this insurance, no monies shall be payable in respect of that claim.  
This insurance will remain in force save that the Underwriter shall have the right to cancel coverage, for the Insured who made the fraudulent claim or used fraudulent means, subject to the Underwriter giving thirty (30) days' notice of such cancellation to the Policyholder or Named Insured. The rights and interests of any other Insured in the event cover is cancelled for any Insured will be unaffected by such cancellation.
16. **BREACH OF WARRANTY CLAUSE**  
Where a warranty, condition precedent or condition contained in this Policy has not been complied with, this Policy will be suspended until such time as the terms of that warranty are fully complied with, provided that where the warranty is intended to reduce the risk of a particular type of loss, or of loss at a particular time or location, a breach of that term will, except where there is evidence of fraud, only suspend liability in respect of that type of loss or a loss at that time or location.
17. **ABANDONMENT**  
There shall be no abandonment to the Underwriters of any property.
18. **INSPECTION AND AUDIT**  
The Underwriters or their agents shall be permitted but not obligated to inspect the Insured's property at any time.  
Neither the Underwriters' right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe.  
The Underwriters may examine and audit the Insured's books and records at any time up to two years after the termination of this Insurance, as far as they relate to the subject matter of this Insurance.
19. **ASSIGNMENT**  
Assignment or transfer of this Insurance shall not be valid except with the prior written consent of the Underwriters.
20. **RIGHTS OF THIRD PARTIES EXCLUSION**  
This Insurance is effected solely between the Insured and the Underwriters.  
This Insurance shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Insurance.  
This clause shall not affect the rights of the Insured.
21. **CANCELLATION**  
This Insurance shall be non-cancellable by the Underwriters or the Insured except in the event of non-payment of premium where the Underwriters may cancel this Insurance at their discretion in the manner set out below.  
In the event of non-payment of premium this Insurance may be cancelled by or on behalf of the Underwriters by delivery to the Insured or by mailing to the Insured or via the Insured's Broker by registered, certified, or other first class mail, at the Insured's address as shown in the Schedule, written notice stating when, not less than fifteen (15) days thereafter, the cancellation shall be effective. The mailing of such notice shall be sufficient proof of notice and this Insurance shall terminate at the date and hour specified in such notice.  
If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.
22. **ARBITRATION**  
If the Insured and the Underwriters fail to agree in whole or in part regarding any aspect of this Insurance, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two (2) chosen shall before commencing the arbitration select a competent and disinterested umpire. The arbitrators together shall determine such matters in which the Insured and the Underwriters shall so fail to agree and shall make an award thereon and if the Arbitrators fail to agree, they will submit their differences to the umpire.  
The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.
23. **LEGAL ACTION AGAINST THE UNDERWRITERS**  
No one may bring a legal action against the Underwriters unless:  
There has been full compliance by the Insured with all of the terms of this Insurance; and the action is brought within two (2) years after the expiry or cancellation of this Insurance.
24. **MATERIAL CHANGES**  
The Insured must notify the Underwriters of any change of circumstances which would materially affect this Insurance.
25. **EXPERTS FEES**  
This Insurance includes, within the Sum Insured stated in the Schedule, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing the property insured following loss or damage covered under this Insurance.
26. **LAW**  
As stated in the Schedule.
27. **JURISDICTION**  
As stated in the Schedule.

### **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 1155, rue Metcalfe, Suite 2220, Montreal, Quebec, H2B 2V6.

**LMA5028**

**10/08/06**

Form approved by Lloyd's Market Association

# TERRORISM

## LLOYD'S UNDERWRITERS CODE OF CONSUMER RIGHTS & RESPONSIBILITIES

Lloyd's Underwriters are committed to safeguarding your rights 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 Underwriters and the insurance laws of your province/territory. With rights, however, come responsibilities including, for example, the expectation that you will provide complete and accurate information to the Underwriters with whom insurance is being negotiated. Your policy outlines other important responsibilities. Underwriters and intermediaries acting on your behalf, and governments also have important roles to play in ensuring that your rights are protected.

### *Right to Be Informed*

In dealing with Lloyd's Underwriters, you will be represented by an intermediary, such as a broker acting as your agent, and they may deal with other intermediaries. From the intermediary with whom you deal, 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 premiums are calculated based on relevant facts.

A policy issued by Lloyd's Underwriters will expire on the day specified in the policy. If you wish to renew the policy, the intermediary with whom you deal will have to approach the Underwriters participating in it, often through another intermediary. If Lloyd's Underwriters are given the information they require to determine renewal terms for the policy at least 45 days prior to its expiry, under normal circumstances, they will advise the intermediary who approaches them of any changes to the policy terms at least 30 days prior to the expiration of the policy. Terms may subsequently change if there is a change in material facts prior to the expiration date.

Intermediaries may receive payments from Lloyd's Underwriters in a variety of ways, which may include the payment of commissions. Lloyd's strongly supports the disclosure and transparency of these commission arrangements. You have the right to ask the intermediary with whom you deal for details of how and by whom the intermediary is being paid.

Lloyd's Underwriters accept business as members of syndicates each of which is managed by a 'managing agent'. Lloyd's has risk management procedures in place in respect of the relationship between Lloyd's managing agents and any related companies that act as intermediaries. This is to ensure that the managing agent makes proper disclosures of any such arrangements. A policyholder may ask the intermediary whom he is dealing to disclose if it is a related company to a Lloyd's managing agent. Depending on the jurisdiction, disclosure may be required in writing.

### *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 brochures and websites, as well as through one-on-one meetings with the intermediary with whom you deal. 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 underwriters of any change in your circumstances through the intermediary with whom you deal. The Underwriters with whom renewal is being negotiated must be given information required to determine renewal terms of your policy, via the intermediary whom you are dealing with, at least 45 days prior to the expiration of the policy.

### *Right to Complaint Resolution*

Lloyd's Underwriters 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 the Lloyd's complaint resolution process for Canada. The intermediary with whom you deal can provide you with information about how you can ensure that your complaint is heard and promptly handled. Disputes involving

claims settlement matters may be handled by the independent General Insurance OmbudService where your complaint may be referred to an independent mediator or Senior Adjudicative Officer. For information concerning the General Insurance OmbudService, you may refer to their website.

### *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 Underwriters with whom insurance is being negotiated on your behalf to provide the insurance coverage that best suits you, you have the right to know from the intermediary with whom you deal the purposes for which Lloyd's Underwriters will use your personal information. 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.

01/12

LSW1565B

## STATUTORY CONDITIONS (Alberta)

### **Misrepresentation**

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

### **Property of others**

2. 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.

### **Change of interest**

3. 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.

### **Material change in risk**

4. (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.(2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
  - (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
    - (a) terminate the contract in accordance with Statutory Condition 5,
    - or
    - (b) 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.
  - (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

### **Termination of insurance**

## TERRORISM

5. (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.
- (2) 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.
- (3) 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.
- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

### Requirements after loss

6. (1) On the happening of any loss or of 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,
  - (a) immediately give notice in writing to the insurer,
  - (b) 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,
    - (i) 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,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - (iv) stating the amount of other insurances and the names of other insurers,
    - (v) 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,
    - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
    - (vii) stating the place where the insured property was at the time of loss,
  - (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - (d) if required by the insurer and if practicable,
    - (i) produce books of account and inventory lists,
    - (ii) furnish invoices and other vouchers verified by statutory declaration, and
    - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

### Fraud

7. 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.

### Who may give notice and proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) 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.

### Salvage

9. (1) 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.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

### Entry, control, abandonment

10. 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.

### In case of disagreement

11. (1) 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.
- (2) There is no right to a dispute resolution process under this condition until
  - (a) a specific demand is made for it in writing, and
  - (b) the proof of loss has been delivered to the insurer.

### When loss payable

12. 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.

### Repair or replacement

13. (1) 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.
- (2) If the insurer gives notice under subparagraph (1) 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.

### Notice

14. (1) 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.
- (2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address

# TERRORISM

as provided to the insurer by the insured.

01/07/12  
LSW1814

## STATUTORY CONDITIONS (British Columbia)

### Misrepresentation

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

### Property of others

2. 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.

### Change of interest

3. 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.

### Material change in risk

4. (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - (a) material to the risk, and
  - (b) within the control and knowledge of the insured.(2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
  - (a) terminate the contract in accordance with Statutory Condition 5, or
  - (b) 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.(4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

### Termination of insurance

5. (1) The contract may be terminated
  - (a) 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
  - (b) by the insured at any time on request.(2) 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.(3) 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.

- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

### Requirements after loss

6. (1) 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,
  - (a) immediately give notice in writing to the insurer,
  - (b) 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,
    - (i) 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,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - (iv) stating the amount of other insurances and the names of other insurers,
    - (v) 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,
    - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
    - (vii) stating the place where the insured property was at the time of loss,
  - (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - (d) if required by the insurer and if practicable,
    - (i) produce books of account and inventory lists,
    - (ii) furnish invoices and other vouchers verified by statutory declaration, and
    - (iii) furnish a copy of the written portion of any other relevant contract.(2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

### Fraud

7. 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.

### Who may give notice and proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) 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.

### Salvage

9. (1) 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.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by



## TERRORISM

the insured under subparagraph (1) of this condition.

### Entry, control, abandonment

10. 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.

### In case of disagreement

11. (1) 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.
- (2) There is no right to a dispute resolution process under this condition until
- (a) a specific demand is made for it in writing, and
  - (b) the proof of loss has been delivered to the insurer.

### When loss payable

12. 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.

### Repair or replacement

13. (1) 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.
- (2) If the insurer gives notice under subparagraph (1) 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.

### Notice

14. (1) 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 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.

01/07/12

LSW1815

Wherever the word "Policy" is shown herein it is deemed to read and mean "Certificate"

## BLANKET COVERAGE

### INSURING AGREEMENTS

In consideration of the Insured having paid or agreed to pay the policy premium, the insurers agree subject to the terms, conditions and exceptions of this policy, to:

#### **SECTION XI.2: CRIME**

indemnify the Insured (subject to the Limits of Liability shown in the Schedule) for losses which they sustain in accordance with the terms of Insuring Agreement I. (employee Dishonesty Cover – Form A (Commercial Blanket Bond) of the Crime Primary Policy, for the difference between the Limits of Liability shown in the Schedule and the Total Primary Limits as specified on the Certificate of Insurance.

#### **SECTION XI.3: COMMERCIAL GENERAL LIABILITY**

indemnify the Insured (subject to the Limits of Liability shown in the Schedule) against all sums which they shall become legally liable to pay in accordance with the terms of the Commercial General Liability Primary Policy, in excess of the Primary Limits specified on the Certificate of Insurance.

#### **SECTION XI.4: DIRECTORS AND OFFICERS LIABILITY**

pay on behalf of the Insured (subject to the Limits of Liability shown in the Schedule) all sums which they shall become legally liable to pay in accordance with the terms of the Directors and Officers Primary Policy, in excess of the Primary Limits specified on the Certificate of Insurance.

#### **SECTION XI.8: VOLUNTEER ACCIDENT**

pay for any accident if injury results in a Specific Loss within one year of the date of accident in accordance with the terms of the Volunteer Accident Primary Policy for the difference between Limits of Liability shown in the Schedule and the Primary Limits as specified on the Certificate of Insurance.

#### **SECTION XI.9: LEGAL EXPENSES**

provide insurance in accordance with the terms of the Legal Expenses Primary Policy, for the difference between Limits of Liability shown in the Schedule and the Primary Limits as specified in the schedule as shown in the Legal Expenses Primary Policy.

### WHEN LOSS IS PAYABLE

Liability under this Policy shall not attach unless and until the Primary Insurers have admitted liability under their policy (ies) or the Insured has been adjudged liable to pay a sum which exceeds the Total Primary Limits.

### ALLOCATION OF COSTS AND EXPENSES

If the Primary policy provides for:

- (a) Costs and expenses recoverable by any claimant from the insured; and/or
- (b) Costs and expenses incurred with the consent of such insurers

to be payable in addition, the limit of liability of the Insurers hereunder for such costs and expenses will be limited to that proportion which the amount payable under this Policy (excluding such costs and expenses) bears to the total sum payable under all contributing policies (excluding such costs and expenses).

If the Primary Insurers are not liable for costs and expenses in consequences of their invoking a right under their policy (ies) to pay the limit of liability thereunder, or such Primary Insurers are liable only for costs and expenses up to the time of such payment, then this Policy shall pay that proportion of the costs and expenses for which the Primary Insurers would have been liable had they not invoked that right.

### DROP-DOWN

In the event of the erosion of any aggregate limit whether partial or total of the Primary Policy (ies) by reason of claims paid thereunder, this Policy shall:

- (a) In the event of partial erosion pay the excess of the reduced underlying limit;
- (b) In the event of total erosion continue in force as the Primary Policy (ies).

The Insurers shall recognize the erosion of the Total Primary Limits by any payment made in respect of losses by reason of cover provided by any Primary Policy (ies) whether or not cover is provided by this Policy.

### Claims Made Basis

If any of the Primary Policy (ies) are on a claims made basis, the Limit of Liability in respect of each and every Occurrence shall operate in respect of each and every Claim as defined in the Primary Policy (ies).

Retroactive Dates: As per Primary Policy No.

### EXCLUSIONS

In addition to the Exclusions contained within the Primary Policy (ies), the Insurer shall have no liability for:

Any claim where a sub-limit applies under the Primary Policy (ies) and/or;

### SECTION XI.2: CRIME

1. Loss which the Insured sustain in accordance with:
  - a. Insuring Agreement II – Loss inside the Premises Coverage - Broad Form;
  - b. Insuring Agreement III – Loss Outside the Premises Coverage - Broad Form
  - c. Insuring Agreement IV – Money Orders and Counterfeit Paper Currency Coverage
  - d. Insuring Agreement V – Depositors Forgery Coverage
  - e. Insuring Agreement VI – Credit card Forgery Coverage
  - f. Insuring Agreement VII – Securities in Safe Deposit Boxes – Broad Form.

### SECTION XI.8: VOLUNTEER ACCIDENT

1. Injury resulting in a Non-Specific Loss under Coverage A.
2. Expense incurred and/or payment made under:
  - a. Coverage B: Total Disablement (Weekly Accident Indemnity)
  - b. Coverage C: Accident Medical Reimbursement Expense
  - c. Coverage D: Accident Dental Expense
  - d. Coverage E: Burial Benefit
  - e. Coverage F: Repatriation Benefit
  - f. Coverage G: Rehabilitation Benefit
  - g. Coverage H: Family Transportation Benefit
  - h. Coverage I: Spousal Occupational Training Benefit
  - i. Coverage J: Home Alteration and Vehicle Modification
  - j. Coverage K: Day Care Benefit
  - k. Coverage L: Special Education Benefit
  - l. Coverage M: Seat Belt Benefit

## BLANKET COVERAGE

- m. Coverage N: Identification Benefit
- n. Coverage O: In-Hospital Confinement Monthly Income

### CONDITIONS

#### 1. Claims Notification

The Insured shall give to the Insurer and/or Lockton Companies LLP, notice as soon as reasonably practicable of any Claim or circumstances which is likely to give rise to liability under this Policy.

Every letter of Claim, writ, summons and process in connection with such circumstances shall be forwarded to the Insurer as soon as reasonable practicable upon receipt.

Notice shall also be given by the Insured to the Insurer and/or Lockton Companies LLP, as soon as reasonable practicable if the Insured has knowledge of any prosecution, inquest or inquiry in connection with any circumstances which is likely to give rise to liability under this Policy.

No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Insurer (such consent not to be unreasonably withheld or delayed), who shall be entitled to take over and conduct in the name of the insured the defence or settlement of any Claim or to prosecute any Claim in the name of the Insured for its own benefit.

The Insured shall give all such assistance as the Insurer may reasonably require.

#### 2. Follow Form and Maintenance of Underlying

It is understood and agreed that this Policy is subject to the same terms, conditions, limitations and exceptions (except as regards the premium and the amount and limits of liability, other than any deductible or self insurance provision where applicable) as are contained in the Primary Policy (ies). The Primary Policy (ies) shall be maintained in full effect during the currency of this Policy except for any reduction of the aggregate limits contained therein solely by payments made within terms and conditions of the Primary Policy (ies). If the Insured fails to comply with this Condition, this Policy shall not be invalidated but in the event of such failure, the Insurer shall only be liable to the same extent as of there had been compliance.

#### 3. Estimates

If the premium hereunder has been calculated wholly or in part upon estimates furnished to Insurers, the Insured shall keep proper records containing all particulars relative thereto and shall at all reasonable times allow Insurers to inspect such records. The Insured shall within three (3) months from the expiry of the Period of Insurance supply to Insurers such particulars as Insurers may require, whereupon the premium for such Period will be adjusted and the difference paid or allowed to the Insured as the case may be, subject to any minimum premium proviso specified on the Certificate of Insurance.

#### 4. Appeals

In the event that the Insured having the right to appeal a judgement in excess of the Total Primary Limits elects not to appeal such judgement, then with the agreement of the Insured and of the insurers of any policy that may provide an indemnity to the Insured in excess of this Policy, the Insurers may elect to conduct such appeal at their own cost and expense and shall be liable for the costs and interest incidental thereto, but in no event shall the liability of the Insurers exceed the sum(s) specified the Certificate of Insurance plus such costs and interest.

### DEFINITIONS:

- 1) "Insurers and/or Underwriters" means each insurance company, reinsurance company, Lloyd's Syndicate or other risk bearing any entity subscribing to this contract.
- 2) "Insured" means the Insured (as defined in the Primary Policy(ies) under a contract of direct insurance or the Original Insured (as defined in the Original Primary Policy (ies) under a contract of reinsurance.
- 3) "Primary Policy (ies)" means the Primary Policy (ies) under a direct contract of insurance or the Original Primary Policy (ies) under a contract of reinsurance as stated on the Certificate of Insurance.
- 4) "Specific Loss" means:
  - o. Loss of Life
  - p. Loss of Entire sight of Both Eyes
  - q. Loss of One Hand and One Foot
  - r. Loss of One Hand and Entire Sight of One Eye
  - s. Loss of One Foot and Entire Sight of One Eye
  - t. Loss of Speech and Hearing in Both Ears
  - u. Brain Death
  - v. Loss of Both Arms, Both Hands, Both Legs or Both Feet
  - w. Loss of Use of Both Arms, Both Hands, Both Legs or Both Feet
  - x. Quadriplegia
  - y. Paraplegia
  - z. Hemiplegia
- 5) "Non-Specific Loss" means:
  - a. Loss of One Arm or One leg
  - b. Loss of Use of One Arm or One Leg
  - c. Loss of One Hand or One Foot
  - d. Loss of Entire Sight of One Eye
  - e. Loss of Use of One Hand or One Foot
  - f. Loss of Speech or Hearing on Both Ears
  - g. Loss of Thumb and Index Finger of Same Hand
  - h. Loss of Use of Thumb and Index Finger of Same Hand
  - i. Loss of Four Fingers of Same Hand
  - j. Loss of Hearing on One ear
- 6) Any other defined term in this Policy shall have the meaning given to it in the relevant Primary Policy (ies).

### WAR AND TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within the insurance or any endorsement thereto 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 any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

1. War, invasion, acts of foreign enemies, hostilities or warlike operations (weather war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
2. Any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

## BLANKET COVERAGE

This endorsement also excludes loss, damage, cost or expense 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 1 and/or 2 above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

08/10/01  
NMA2918

### **RADIOACTIVE, CONTAMINATION AND EXPLOSIVE NUCLEAR ASSEMBLIES EXCLUSION CLAUSE**

(Approved by Lloyd's Underwriters' Non-Marine Association)

This Policy does not cover

- (a) loss of destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (b) any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from

- (i) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (ii) the radioactive toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

04/04/68  
NMA1622

## BLANKET COVERAGE

### SCHEDULE

**POLICY REFERENCE:** B0713XXXXXXXXXX

**INSURED:  
INSURANCE** AS STATED ON THE CERTIFICATE OF

**ADDRESS:  
INSURANCE** AS STATED ON THE CERTIFICATE OF

**PERIOD:  
INSURANCE** AS STATED ON THE CERTIFICATE OF

**LIMITS OF  
LIABILITY:  
INSURANCE** AS STATED ON THE CERTIFICATE OF

**PRIMARY POLICY  
REFERENCE:  
INSURANCE** AS STATED ON THE CERTIFICATE OF

**PRIMARY  
INSURER(S):  
INSURANCE** AS STATED ON THE CERTIFICATE OF

**INSURER  
TOTAL PRIMARY LIMITS:  
INSURANCE** AS STATED ON THE CERTIFICATE OF

**PREMIUM:  
INSURANCE** AS STATED ON THE CERTIFICATE OF

### **COMPLAINTS**

The Underwriters aim to provide a high standard at all times, but if the Insured is not satisfied with the service provided it should contact the following:

In respect of Lloyd's Underwriters:

The Complaints Department  
Lloyd's  
One Lime Street  
EC3M 7HA

Tel: 020 7327 5693

Email: [Lloyds-Regulatory-Complaints@Lloyds.com](mailto:Lloyds-Regulatory-Complaints@Lloyds.com)

In respect of Underwriters other than Lloyd's Underwriters, Lockton Companies LLP will provide on request details of the relevant persons.

In the event that the Insured remains dissatisfied, it may be possible for the Insured's complaint to be referred to the Financial Ombudsman who may review the matter. The Financial Ombudsman Service address is:

Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London E14 9SR

Tel: 0845 0801800

Email [enquiries@financial-ombudsman.org.uk](mailto:enquiries@financial-ombudsman.org.uk)

Website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

#### **Note**

This Complaints Procedure is provided for information purposes only and does not form part of the terms of the policy.