

Condominium Corporation No. 8110119 O/A Glenwood Manor  
904 Memorial Drive NW  
Calgary, AB T2N 3C9

## NOTICE TO INSURED

# VIRUS AND BACTERIA EXCLUSION – COMMERCIAL PROPERTY POLICY

Dear Policyholder,

We have added a virus and bacteria exclusion to your policy. This exclusion further highlights that our policies do not insure against loss or damage caused by virus, bacterium or other micro-organism. As before, if your policy includes business interruption coverage, physical loss or damage to property is required to trigger such coverage.

If you have any questions, please contact your broker.

Intact Insurance



Condominium Corporation No. 8110119 O/A Glenwood Manor  
904 Memorial Drive NW  
Calgary, AB T2N 3C9

## Thank you

for allowing Intact Insurance to help protect what's important to you and your business.

Businesses today face a multitude of pervasive threats from both inside and outside sources, which can include: employee dishonesty, theft, forgery and fraud, each of which can incur large, unplanned expenses and put your business at risk.

Intact Insurance's Crime insurance coverage complements your property and/or Commercial General Liability (CGL) policy, to provide you with peace of mind and the coverage you need to help protect your business in the event of loss, such as:

- **Employee Dishonesty Coverage** for the loss to your business or to your client's business in the form of money, securities or property.
- **Theft, Robbery or Burglary Coverage** for the loss of or damage to money, securities and other property while inside or outside the premises of your business.
- **Fraud Coverage** in the event of acceptance in good faith of fraudulent money orders or counterfeit money, or the loss of money, securities or property resulting from computer or funds transfer fraud.
- **Expense Coverage** for a broad range of pre-approved expenses such as: professional fees, computer data restoration expenses, medical expenses and more.

### ***Built for your business***

Our Crime offering can be tailored to your business needs.

Choose from: Crime 1.0 and Crime 2.0, each of which provides broad coverage for the claims most commonly experienced by businesses, with the flexibility to add optional coverage. Crime 2.0 also allows you to increase your limits.

The limits for coverages are offered on a per-occurrence basis, so there is no limit on the number of claims covered during your policy period.

Higher coverage limits are available through our Specialty Division, please ask your broker for more details.

### ***It's important to have the right protection for your business***

To learn more about our Crime offering or to discuss the details of your policy, please contact your broker.

**Crime.**  
Broad protection for peace of mind.

This material is provided to you for information purposes only, the insurance contracts prevail at all times. Coverages and availability vary by product and by province. Please consult the insurance contracts for complete descriptions of coverage and exclusions.



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Calgary, AB T2N 3C9

## Privacy breaches happen. Prepare and protect your business with Intact Insurance.

A **privacy breach** is the loss or misuse of information about your customers, employees or others that you are legally required to protect. With the growing threat of cybercrime, all businesses are vulnerable to many exposures that can put their valuable customer and organizational data at risk.

With Intact Insurance's privacy breach coverage, we can help you respond so that your customers, employees, business and reputation are protected.

### Proactive breach services from CyberScout®

Included in your privacy breach coverage is access to breach services from CyberScout, an independent third-party support provider. CyberScout provides advice and expertise to help you:

- Reduce the chances of a privacy breach occurring;
- Prepare and plan to mitigate the impact of a breach;
- Respond quickly if a breach occurs.

To access CyberScout's secure customer portal, please visit  
**[intactinsurance.breachresponse.ca](https://intactinsurance.breachresponse.ca)**  
and log in using the following credentials:

Username: **Intactinsurance1** (with a capital "I")  
Password: **Intactinsurance1** (with a capital "I")

After your initial login, you will be prompted to create your unique credentials for future use.

**You may also contact CyberScout's advice and support line, even if no problems are suspected.**

Please call 1-833-801-9271 from 8:00AM to 8:00PM EST, Monday through Friday, to speak to a CyberScout representative if you have any proactive questions about your data security.

### If a breach occurs, call Intact Insurance at 1-866-464-2424

In the event of a privacy breach, Intact Insurance's claims personnel will connect you with an expert who will help you quickly develop a breach response strategy and incident management plan.

To learn more about our privacy breach product or to discuss the details of your policy, please contact your broker.

Certain conditions, limitations and exclusions apply. The information in this document is provided for information purposes only. Privacy Breach expense offerings are through the Privacy Breach Expense endorsement, Privacy Breach Legal Expense endorsement, and Privacy Breach Liability endorsement. Your insurance contract prevails at all times. Please consult it for a complete description of coverage and exclusions. Non-insurance services under the Cyber Expense endorsement are provided by CyberScout, Inc., an independent third-party service provider. These services do not constitute legal advice. If you require legal advice, please consult a lawyer. Intact Financial Corporation and its affiliates assume no responsibility for making the services available to you or for your use of the services. ©Intact Insurance Design is a registered trademark of Intact Financial Corporation, used under license. © 2020 Intact Insurance Company. All rights reserved.



# Your Business Insurance Statement

Renewal Policy



<b>Policy Period</b> 31 Jan 2021 to 31 Jan 2022	<b>Payment Plan</b> Monthly Pay	Keep this statement for your records.

CONDOMINIUM CORPORATION NO. 8110119 O/A GLENWOOD MANOR  
904 MEMORIAL DR NW  
CALGARY AB T2N 3C9

intact.ca

<b>Policy Number</b> 5 V0360338 3150	<b>Broker ID</b> 25600
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**Statement Date**  
13 Jan 2021

**Have Questions?  
Contact Your Broker:**

403 910 5971

INSURELINE BROKERS (PLATINUM)  
600, 777 - 8TH AVE SW  
CALGARY AB T2P 3R5

PLATINUM.POLICIES@INSURELINE.COM

## Thank you for trusting Intact with your insurance needs

- ✓ If you do not wish to renew your policy, please return all policy documents to your Broker prior to the due date to prevent a charge.
- ✓ If your banking information has changed, please complete, sign and return the authorization form on the back of this statement.
- ✓ Did you know that you could lower your premium by opting for a higher deductible?

## Your Account Detail

Effective Date	Description	Amount
31 Jan 2021	Renewal Policy	\$23,092.00
	Interest Charge	923.68
	<b>New Balance</b>	<b>\$24,015.68</b>

By keeping sufficient funds available in your account, you avoid being charged a \$40 fee. An interest rate of 4% of the total premium, which is equivalent to an approximate annual percentage rate of 8.40%, as may be varied by applicable provincial law, endorsements or other policy amendments, is applied in monthly instalments over the term of the policy.

## Facing an Emergency Situation?

Call: 1 866 464 2424



The support you need.  
30 MINUTES. GUARANTEED.

Our Commercial Umbrella coverage offers you added liability protection when you need it most.

Additional terms and conditions on reverse



Intact Insurance Company  
PO BOX 4254 STN A  
TORONTO, ONTARIO  
M5W 5S6

### Confirmation

Intact Insurance will automatically withdraw payment(s) from bank account:

**00009 003 XXX5406**

To protect your privacy, only the last digits of your account number appear.

## Payment Schedule

for your Policy 5 V0360338 3150

Payment Date	Withdrawal Amount
31 Jan 2021	\$2,001.31
28 Feb 2021	2,001.31
31 Mar 2021	2,001.31
30 Apr 2021	2,001.31
31 May 2021	2,001.31
30 Jun 2021	2,001.31
31 Jul 2021	2,001.31
31 Aug 2021	2,001.31
30 Sep 2021	2,001.31
31 Oct 2021	2,001.31
30 Nov 2021	2,001.31
31 Dec 2021	2,001.27

Fire protection equipment could save your business. Make sure sprinkler systems, portable fire extinguishers and smoke detectors are serviced and tested at least once a year.

## Choose **When** You Pay

### Monthly Pay (If Eligible)

- Payments are divided equally and are automatically withdrawn from your bank account.
- You will receive a schedule of your monthly instalments.
- The withdrawal date is the same as your policy effective date, but can be changed to suit your needs.
- You will receive a new schedule if there is a change to your policy.

### One Pay

- One annual payment, due at the start of your policy period.

### Three Pay (If Eligible)

- Divide your premium, including taxes when applicable, by 3.
  - 1<sup>st</sup> payment (plus \$35 instalment fee) due at the start of your policy.
  - 2<sup>nd</sup> payment due 3 months later.\*
  - 3<sup>rd</sup> payment due 6 months later.\*
- \* We will send you a reminder when your payment is due.  
\* Post dated cheques are accepted.

## Method of Payment

- **Automatic monthly withdrawals from your bank account.**
- **A 4% interest charge applies.**
- **Refer to "Interest and Fees" section below.**

- **EFT automatic withdrawal**
- **Internet and telephone banking through your Financial Institution.**
- **Cheque or money order.**
- **Credit Card One Time Payment.**
- **Credit Card Automatic Payment Visa or Mastercard.**

## What if I make **Changes?**

Talk to your Broker about any changes to:

### • Your policy

Once the change is processed, you will receive an updated summary of your account, payment dates and new amount due.

### • Your bank or chequing account

We need 14 days' notice if your account information changes or you switch to a different bank, trust company or credit union.

## Interest and Fees

- An interest rate of 4% of the total premium, which is equivalent to an annual percentage rate of 8.40%, as may be varied by applicable provincial law, endorsements or other policy amendments, is applied in monthly instalments over the term of the policy.
- A \$40 fee is charged due to insufficient or unavailable funds.
- A \$35 instalment fee is charged to the 'Three Pay' plan.

I have authorized **Intact Insurance Company**, or its affiliates, successors, assignees or transferees ("Intact"), to begin automatic deductions for payment of insurance premiums. I have waived the right to receive pre-notification of the amount/timing of the PAD prior to the debit being processed. I may cancel this authorization at any time by providing 10 days notice. I have certain recourse rights if any debit does not comply with this agreement (e.g. right to reimbursement). To obtain more information on my cancellation rights (including a sample cancellation form) and/or my recourse rights, I may contact my financial institution or visit [www.cdnpay.ca](http://www.cdnpay.ca). I have authorized my broker/insurance company to collect, use and disclose my personal information (PI) provided in this document and as I may otherwise provide, subject to laws and to my broker's/insurance company's policy regarding PI, for the purpose of facilitating the payment of insurance premiums. I have confirmed that all individuals whose PI is contained in this document have consented to the collection, use and disclosure of their PI including, without limitation, for electronic funds transfer, and have authorized me to agree to the above on their behalf.

Personal PAD\_\_\_\_ Business PAD\_\_\_\_

Apply for Automatic Payments	One Pay <input type="checkbox"/>	Three Pay <input type="checkbox"/>	Monthly Pay <input type="checkbox"/>	Authorization	** One Void Cheque Required **
1. Complete and sign this authorization. 2. Send it to us, along with one void personal cheque.	Name of Bank Account Holder			Signature of Bank Account Holder	
	Name of Bank, Trust Company or Credit Union			Account Number	
	Date	Preferred Withdrawal Date		Policy Number <b>5 V0360338 3150</b>	
<b>Paying by Credit Card</b>	<p><b>To make a credit card payment or to register for automatic credit card payments on One or Three Pay plans, please visit our website <a href="http://www.intact.ca">www.intact.ca</a> or call your Broker.</b></p> <p>If you have already registered for automatic credit card payments, then this notice to the policyholder and the credit card holder (collectively, "you"/ "your") is a confirmation of your authorization for registering your credit card for payment of insurance premiums owing under all policy terms and receipt of any refunds to be credited under all policy terms. Payments, including premiums, taxes, interest and all applicable charges, or credits from the policy with <b>Intact Insurance Company</b> under any policy term, will be automatically charged/applied to your credit card. You have the right to discontinue your automatic credit card payments upon fourteen (14) days' notice prior to the next scheduled due date, or your credit card may be charged. Upon fulfilling the cancellation terms of the policy, Intact will discontinue all billing from your credit card.</p>				

*Intact Insurance Company  
1200, 321 - 6th Avenue S.W.  
Calgary, AB T2P 4W7*

**Insured name and postal address**

Condominium Corporation No. 8110119 O/A Glenwood Manor  
904 Memorial Drive NW  
Calgary, AB T2N 3C9

**Broker 25600**

INSURELINE BROKERS (PLATINUM)  
600, 777 - 8TH AVE SW Calgary, Alberta  
T2P 3R5  
Phone No. 403 910 5971

**General Information**

Intact Insurance Company hereinafter called the Insurer.

Type of Document	RENEWAL
Policy Period	<b>From</b> January 31, 2021 <b>To</b> January 31, 2022 12:01 A.M. local time at the postal address of the Insured shown above
Insured's Business Operations	Residential Apartment Building
Billing Method	Direct Bill
<b>Total Policy Premium</b>	<b>\$23,092</b>

**Save paper, add convenience!**  
Ask your broker how you can receive your documents electronically.



**This policy contains a clause(s) that may limit the amount payable**

In consideration of the premium stated, the insurer will indemnify the Insured with the terms and conditions of the Policy.

The Policy is issued subject to the declarations, coverage agreements, exclusions, definitions, conditions, and limits as well as the riders or endorsements to the policy which may from time to time be added to form part of the policy.

In accepting the present policy, the Insured and the Beneficiary, if any, recognize that from the effective date of this policy, any previous policy stated in the Declarations is replaced by this policy, including all renewals attaching thereto.

CANCELLATION

In consideration of the return premium, if any, this Policy and Renewal (if any) are cancelled and surrendered to the Insurer.

Date of Cancellation (Day, month, year): \_\_\_\_\_

Reason: \_\_\_\_\_

Signature: \_\_\_\_\_  
Insured Date

**Location 1**

**Address** 904 Memorial Drive NW  
Calgary, AB T2N 3C9

**Occupancy** Residential Apartment Building

Coverage	Form	Coinsurance %	Deductible \$	Limit of Insurance \$
Building and/or Contents - Broad Form Building Valuation: Replacement Cost	BF02-2	90	5,000	5,279,230
Equipment Breakdown Rider Option 3	BM12-1		5,000	5,279,230
Earthquake Shock Endorsement Deductible 5% or \$100,000. whichever is the greater	E021-3			
Flood Extension	E023-2		50,000	
Replacement Cost Endorsement - Building and/or Contents - Broad Form Valuation: Replacement Cost	E040-2			
Sewer Back Up Endorsement	E042-2		25,000	
Water Damage Deductible Endorsement	E083-3		20,000	
Roof Water Exclusion Endorsement	E106-2			
Sewer Back Up Extension Concurrent Flood Deductible	E188-2			

Miscellaneous

Coverage	Form	Coinsurance %	Deductible \$	Limit of Insurance \$
Difference in Conditions, Deductible Amounts and Limits of Insurance - Liability	G033-1			
Difference in Conditions and Difference in Limits - Crime	G034-1			
Privacy Breach Expense Endorsement A: Privacy Breach Expenses B: Business Interruption	E127-3		1,000	25,000 25,000
Privacy Breach Legal Expense Endorsement	E128-2			25,000

**Crime**

Coverage	Form	Deductible \$	Limit of Insurance \$
Crime 2.0	C112-1		
Coverage 1 - Employee Dishonesty		1,000	50,000
Coverage 2 - Theft, Robbery or Burglary		1,000	25,000
Coverage 3 - Fraud - Limit per Coverage		1,000	25,000
Coverage 4 - Expenses - Blanket Limit			10,000

**General Liability**

Coverage	Form	Deductible \$	Limit of Insurance \$
Commercial General Liability Max	LR20-3		
Coverage A - Bodily Injury and Property Damage Liability - Each Occurrence			5,000,000
Coverage A - Liability for Abuse - Aggregate			5,000,000
Coverage A - Products-Completed Operations - Aggregate			5,000,000
Coverage A - Property Damage Deductible - Each Occurrence		1,000	
Coverage B - Personal Injury and Advertising Injury Liability - Per Person or Organization			5,000,000
Coverage C - Medical Payments - Each Person			50,000
Coverage D - Tenants' Legal Liability - Any One Premises		1,000	500,000
Liability EDGE 1.0	EL20-1		As per Form
S.E.F. No. 96 - Contractual Liability Endorsement	L220-2		
S.E.F. 94 Legal Liability for Damage to Hired Automobiles	L429-1	1,000	50,000
S.E.F. No. 99 Excluding Long term Leased Vehicle Endorsement	L431-1		
S.P.F. No. 6 - Standard Non-Owned Automobile Liability Policy	L432-2		
Section A - Third party Liability			5,000,000
Amended Deductible Endorsement - Bodily Injury and Property Damage Combined Deductible	L542-3	1,000	

**Rating Information(s)**

Premises, Property and Operations	Rating Base
Residential Apartment Building	Flat premium
Residential Apartment Building	Flat premium

**Additional Conditions**

	<b>Form</b>
Declaration of Emergency Endorsement	2485-1
Data Exclusion Endorsement	E074-2
Terrorism Exclusion	E077-2
Fungi and Fungal Derivatives Exclusion	E078-1
Virus and Bacteria Exclusion Endorsement	E199-1
General Deductible	G001-1
Sixty Days Notice of Cancellation/Termination	G004-1
Standard Mortgage Clause	G010-1
Commercial Policy Conditions and Statutory Conditions	G021-4



**Emergency number**

If you have a serious loss after regular business hours,  
please call:

**1 866 464 2424**



## NOTICE TO INSURED

### Important changes to your Comprehensive Dishonesty, Destruction, Disappearance and Forgery coverage

Dear Policyholder,

We wish to inform you that we have reviewed our Comprehensive Dishonesty, Destruction, Disappearance and Forgery policy to make it even more beneficial for you. Our new **Crime** Form, which replaces your current policy, has been simplified and we have added a number of new benefits including:

- Employee Dishonesty coverage is now available per occurrence, so there is no limit on the number of claims covered during a policy period;
- Computer Fraud and Funds Transfer Fraud coverages are now integrated into your new Crime coverage;
- The customers you do business with are now automatically covered under Employee Dishonesty coverage and Computer Fraud coverage;
- Coverage for Professional Fees, Theft, Robbery and Burglary Reward, Medical Expenses and Computer Data Restoration Expenses has been added;
- And much more!

There are other changes to your policy as well, some of the definitions, as well as the wording of certain coverages, limitations and exclusions, have been revised or added.

Here are some of the coverage adjustments that result from these changes:

- **FORGERY OR ALTERATION Coverage**

This coverage has been reviewed to specify that it is only applicable to you (the Insured). The reference to any bank included in your proof of loss has been removed.

Furthermore, any loss resulting from the forgery of a document required with the use of a credit card must result from a card used for business purposes.

- **ADDITIONAL EXCLUSIONS**

The following exclusions have been added to your policy:

1. **TERRORISM** - any loss or damage caused directly or indirectly, in whole or in part, by terrorism;
2. **DATA** – any loss or damage of data, or loss or damage caused directly or indirectly by a data problem;
3. **CONFIDENTIAL OR PERSONAL INFORMATION** – any loss or damage resulting from the disclosure of the Insured's or any other person's or organization's confidential or personal information;
4. **GOVERNMENTAL AUTHORITY** – any loss or damage resulting from any seizure or destruction of property by order of any governmental authority.

The above is only an overview of the changes, please read your new policy wording carefully and keep it in a safe place, along with this notice and your insurance contract.

We have implemented a procedure to create a seamless transition for you. In the next 24 months, if you have a claim that would have been covered under your previous policy, but isn't under the new policy due to the above reductions in coverage, we will pay your claim according to the previous version. This protection will not apply to any reductions in coverage that are made at your request, imposed by law, or described in a specific notice that has been sent to you.

We truly believe that you will appreciate the greater flexibility and solid protection your new **Crime** Form provides. To find out more or if you have any other questions about insurance, call your broker – your best source for information and advice.

Commercial Lines Department



## NOTICE TO INSURED

### Important changes to your Earthquake Coverage

Dear Policyholder,

As a business we are always evolving our insurance solutions to best meet the needs of you, our customer and reflect of the realities of the evolving exposures of our industry.

We've recently made refinements to our **Earthquake Shock Endorsement deductibles**.

We have made changes to the minimum deductibles that customers are eligible to purchase. The minimum deductible is determined by your business's postal code. Based on these new eligibility guidelines your deductible may have changed.

Review your policy documents to confirm your deductible.

Please read through your policy documents carefully to ensure you understand your insurance coverage. Review all details with your broker so you know what is and is not covered and determine the best solution for your insurance needs.



## NOTICE TO INSURED

### Important changes to your Flood Coverage

Dear Policyholder,

As a business, we are always evolving our insurance solutions to best meet the needs of our customers and to reflect the realities of the evolving exposures of our industry.

We've recently made refinements to our flood coverage deductible eligibility. Based on these new eligibility guidelines **your deductible may have changed or increased**. Please carefully review your policy documents to confirm your deductible amount.

Please also review policy documents with your broker to ensure you fully understand the insurance coverages included in your policy. Your broker will help determine the best solutions for all your insurance needs.



## DECLARATION OF EMERGENCY ENDORSEMENT - 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
    - 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.

All other terms and conditions of the Policy to which this endorsement applies remain unchanged.

# PROPERTY COVERAGE

## BUILDING AND/OR CONTENTS - BROAD FORM

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Certain words and phrases in bold font have special meaning as defined in the DEFINITIONS Section.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

## INDEMNITY AGREEMENT

1. In the event that any of the insured property is lost or damaged during the policy period by an insured peril, the Insurer will indemnify the Insured against the direct loss or damage so caused to an amount not exceeding whichever is the least of:
  - 1.1. the value of the lost or damaged property as determined in SPECIAL PROVISIONS - Item 5. – Basis of Valuation, or if the Declaration Page(s) specifies that this policy is endorsed with a Form that contains a Replacement Cost clause applicable to this Form, by the valuation determined in the replacement cost clause;
  - 1.2. the interest of the Insured in the property;
  - 1.3. the amount of insurance specified on the Declaration Page(s) for the lost or damaged property.The inclusion of more than one person or interest shall not increase the Insurer's liability.

### 2. INSURED PROPERTY

This Form insures those of the following items for which an amount of insurance is specified on the Declaration Page(s), and only while at the **premises**:

**Building**

**Equipment**

**Stock**

**Contents**

**Property of Every Description**

### 3. INSURED PERILS

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

## EXCLUSIONS

### 1. EXCLUDED PROPERTY

**This Form does not insure loss of or damage to:**

- 1.1. Sewers, Drains, Watermains  
sewers, drains or **watermains** located beyond the Insured's property lines at the location(s) described in the Declaration Page(s). This exclusion does not apply to loss or damage caused directly by **Named Perils**;  
Sewers drains or **watermains** located within the property lines described above shall only be covered if the Insured owns or is legally liable for loss or damage to such property;
- 1.2. Vacancy  
property at locations which, to the knowledge of the Insured, are vacant, unoccupied or shut down for more than 30 consecutive days;  
**With regards to Condominium vacancy, refer to Item 8. Special Provisions applicable to Condominiums of the SPECIAL PROVISIONS;**
- 1.3. Electrical Devices, Appliances or Wiring  
electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing. This exclusion does not apply to loss or damage caused directly by resultant fire or explosion;
- 1.4. Growing Plants, Trees, Shrubs or Flowers  
growing plants, trees, shrubs or flowers, all while outside the **building**, except as provided in Extension of Coverage 5. Growing Plants, Trees, Shrubs or Flowers Outside the Building;
- 1.5. Animals, Fish or Birds  
animals, fish or birds. This exclusion does not apply to loss or damage caused directly by **Named Perils** or by theft or attempted theft;
- 1.6. Money, Precious Metals and Securities  
money, digital currency, **cash cards**, bullion, platinum, precious metals and alloys, **securities**, stamps, tickets (except lottery tickets) and tokens, or evidence of debt or title;
- 1.7. Automobiles, Watercraft and Aircraft  
automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property. This exclusion does not apply to:
  - 1.7.1. watercraft or amphibious or air cushion vehicles held for sale;
  - 1.7.2. unmanned air vehicles held for sale, while not airborne;
  - 1.7.3. unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the **premises**;
- 1.8. Furs and Jewellery  
furs, fur garments, jewels, jewellery and precious stones;  
This exclusion does not apply to:
  - 1.8.1. loss or damage caused directly by **Named Perils**; or
  - 1.8.2. the first \$5,000 of any loss otherwise insured;
- 1.9. Property Covered under Marine Insurance  
Property that is insured under the terms of any marine insurance;
- 1.10. Property Loaned, Rented or Leased  
property from the time of leaving the Insured's custody, if it is:
  - 1.10.1. loaned, rented or leased to others; or
  - 1.10.2. sold by the Insured under conditional sale or instalment payment or other deferred payment plan;This exclusion (1.10.) does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured;

- 1.11. Property Illegally Acquired  
property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- 1.12. Pressure Vessels and Boilers
  - 1.12.1. any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
  - 1.12.2. any boiler, including its connected piping and equipment, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use);  
caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use;  
**This exclusion (1.12.) does not apply to:**
  - 1.12.3. manually portable gas cylinders;
  - 1.12.4. explosion of natural, coal or manufactured gas;
  - 1.12.5. explosion of gas or unconsumed fuel within a furnace or within the gas passages from the furnace to the atmosphere;

## 2. EXCLUDED PERILS

**This Form does not insure against increased costs, and loss or damage caused directly or indirectly:**

- 2.1. Earthquake  
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**;  
This exclusion does not apply to property in transit, provided such coverage is afforded by endorsement attached to this Form;
- 2.2. Flood  
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 or **leakage from fire protective equipment**;  
This exclusion does not apply to property in transit, provided such coverage is afforded by endorsement attached to this Form, or to loss or damage caused directly by leakage from a **watermain**;
- 2.3. Other Water Damage
  - 2.3.1. by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings, foundations, basement floors, sidewalks or sidewalk lights, unless concurrently and directly caused by an insured peril not otherwise excluded in this Form;
  - 2.3.2. by the backing up or overflow of water from sewers, sumps, septic tanks or drains, wherever located, unless concurrently and directly caused by an insured peril not otherwise excluded in this Form;
  - 2.3.3. by the entrance of rain, sleet or snow through doors, windows, skylights, or other similar wall or roof openings, unless through an aperture concurrently and directly caused by an insured peril not otherwise excluded in this Form;
- 2.4. Centrifugal Force, Breakdown  
by centrifugal force, mechanical or electrical breakdown or derangement, in or on the **premises**. This exclusion does not apply to loss or damage caused directly by resultant fire;
- 2.5. Atmospheric, Temperature Change, Service Interruption or other Damage
  - 2.5.1. by dampness or dryness of atmosphere;
  - 2.5.2. by changes in or extremes of temperature, heating or freezing;
  - 2.5.3. by total or partial interruption to the supply of electricity, water, gas or steam;
  - 2.5.4. by shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, or change in colour or texture or finish;
  - 2.5.5. by contamination;
  - 2.5.6. by marring, scratching or crushing.  
**This exclusion (2.5.) does not apply to loss or damage caused directly by:**
  - 2.5.7. **Named Perils**;
  - 2.5.8. rupture of pipes;
  - 2.5.9. breakage of apparatus not excluded under paragraph 1.12. of this Form;
  - 2.5.10. theft or attempted theft;
  - 2.5.11. an accident to a transporting conveyance provided such coverage is afforded by endorsement attached to this Form;
  - 2.5.12. damage to pipes caused directly by freezing unless such pipes are excluded in paragraph 1.12. of this Form;
- 2.6. Rodents, Insects or Vermin  
by rodents, insects or vermin. This exclusion does not apply to loss or damage caused directly by an insured peril not otherwise excluded in this Form;
- 2.7. Delay  
by delay, loss of market, or loss of use or occupancy;
- 2.8. War  
in whole or in part by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage;
- 2.9. Nuclear
  - 2.9.1. by any nuclear incident (as defined in the *Nuclear Liability and Compensation Act*, any other nuclear liability act, law or statute, or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
  - 2.9.2. by contamination by radioactive material;
- 2.10. Dishonest or Criminal Act
  - 2.10.1. by any dishonest or criminal act committed by the Insured or any agent of the Insured, acting alone or in collusion with others(except bailees for hire);
  - 2.10.2. by theft or attempted theft committed by any employee of the Insured, acting alone or in collusion with others;
  - 2.10.3. by any dishonest or criminal act committed by anyone, except as stated in 2.10.2., when the Insured or any agent of the Insured knew or ought to have known prior to the loss or damage, of the dishonest or criminal act;
- 2.11. Snowslide or Landslide

- by snowslide, landslide, subsidence or other earth movement. This exclusion does not apply to property in transit (provided such coverage is afforded by endorsement attached to the present Form), or to loss or damage caused directly by resultant fire, explosion, smoke or **leakage from fire protective equipment**;
- 2.12. Loss or Damage caused by Pressure Vessels, Boilers  
by explosion (except 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:
- 2.12.1. 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;
  - 2.12.2. piping and apparatus or their parts normally containing steam or water under steam pressure from an external source and while under such pressure;
  - 2.12.3. other vessels and apparatus and their connected pipes while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting directly from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
  - 2.12.4. moving or rotating machinery or its parts;
  - 2.12.5. any vessels and apparatus and their connected pipes while undergoing pressure tests, but this exclusion does not apply to other insured property that has been damaged by such explosion;
  - 2.12.6. gas turbines;
- This exclusion (2.12.) does not apply to loss or damage caused by resultant fire;
- 2.13. Settling, Expansion, Shifting or Cracking  
by settling, expansion, contraction, moving, shifting or cracking. This exclusion does not apply to loss or damage caused directly and concurrently by an insured peril not otherwise excluded in this Form;
- 2.14. By-Laws  
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;
- 2.15. Pollution
- 2.15.1. by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**, nor the cost or expense of any resulting **clean up**;  
**This exclusion does not apply:**
    - 2.15.1.1. if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** is directly caused by an insured peril not otherwise excluded in this Form; or
    - 2.15.1.2. to loss or damage caused directly by a resultant insured peril not otherwise excluded in this Form;
  - 2.15.2. 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**;
- 2.16. Data Exclusion:
- 2.16.1. This Form does not insure **data**;
  - 2.16.2. This Form does not insure loss or damage caused directly or indirectly by a **data problem**;  
Paragraph 2.16.2. does not apply to loss or damage caused directly by resultant fire, explosion of natural, coal or manufactured gas, smoke, **leakage from fire protective equipment** or water damage caused by bursting of frozen pipes and tanks;
- 2.17. Terrorism  
in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**;  
This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.  
If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect;
- 2.18. Fungi and Spores  
This Form does not insure:
- 2.18.1. 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 an insured peril not otherwise excluded by this Form;
  - 2.18.2. the cost or expense for any testing, monitoring, evaluating or assessing of **fungi** or **spores**;
- 2.19. Wear and Tear, Defects
- 2.19.1. by wear and tear;
  - 2.19.2. by rust or corrosion;
  - 2.19.3. by gradual deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- This exclusion (2.19.) does not apply to loss or damage caused directly by an insured peril not otherwise excluded in this Form;
- 2.20. Faulty or Improper Material, Workmanship, Design  
the cost of making good:
- 2.20.1. faulty or improper material;
  - 2.20.2. faulty or improper workmanship;
  - 2.20.3. faulty or improper design;
- This exclusion (2.20.) does not apply to loss or damage caused directly by an insured peril not otherwise excluded in this Form;

- 2.21. Disappearance
  - 2.21.1. by mysterious disappearance;
  - 2.21.2. by shortage of **equipment** or **stock** disclosed on taking inventory;

## EXTENSIONS OF COVERAGE

**The following extensions of coverage shall not increase the amounts of insurance applying under this Form and are subject to all the conditions of this Form.**

### 1. REMOVAL

If any of the insured property is necessarily removed from the **premises** to prevent loss of or damage to or further loss of or damage to such property, that part of the insurance under this Form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 30 days only, or for the unexpired term of the policy if less than 30 days, insure the property removed and any property remaining at the **premises** in the proportions which the value of the property in each of the locations bears to the value of the property in them all.

### 2. DEBRIS REMOVAL

#### 2.1. Debris Removal:

The Insurer will indemnify the Insured for expenses incurred in the removal from the **premises** of debris of the insured property, occasioned by loss of or damage to such property, for which loss or damage insurance is afforded under this Form.

#### 2.2. Removal of Windstorm Debris:

The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this Form but which has been blown by windstorm upon the **premises**.

**Extensions of coverage 2.1. and 2.2. do not apply to costs or expenses:**

- 2.3. to **clean up pollutants** from land or water; or
- 2.4. for testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**.

Debris removal expense shall not be considered in the calculation of the value as determined in item 5. – Basis of Valuation, for the purpose of applying co-insurance.

### 3. PERSONAL PROPERTY OF OFFICERS AND EMPLOYEES

At the option of the Insured, **equipment** also includes personal property of officers and employees of the Insured. The insurance on such property:

- 3.1. 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.
- 3.2. shall apply only to loss or damage occurring at the **premises** or at a newly acquired location by the Insured.

### 4. BUILDING DAMAGE BY THEFT

This Form is extended to insure damage (except by fire) to that part of a **building** occupied by the Insured directly resulting from theft or attempted theft and from vandalism or **malicious acts** committed on the same occasion, provided the Insured is not the owner of such **building** and is legally liable for such damage and the **building** is not otherwise insured under this Form.

This Extension of coverage shall be limited to a maximum recovery of \$2,500 for any one occurrence.

### 5. GROWING PLANTS, TREES, SHRUBS OR FLOWERS OUTSIDE THE BUILDING

This Form is extended to insure loss of or damage to growing plants, trees, shrubs or flowers outside the **building** caused directly by **Named Perils** (with the exception of windstorm or hail), or from theft or attempted theft.

This Extension of coverage shall be limited to a maximum recovery, including debris removal expense, of \$500 for each growing plant, tree, shrub or flower.

### 6. NEWLY ACQUIRED LOCATION

Subject to a limit of \$250,000 on **buildings** and \$100,000 on **contents**, this insurance shall cover property at any newly acquired location in Canada or the continental United States of America that is owned, rented or controlled by the Insured and occupied by the Insured for the purposes stated in the Declaration Page(s).

This coverage attaches at the time of the acquisition and extends for a period of 30 days, or to the date of endorsement of this Form adding such location, or until the expiry date of this policy, whichever occurs first.

## SPECIAL PROVISIONS

### 1. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by an insured peril exceeds the amount of the deductible specified in the Declaration Page(s) in any one occurrence.

Should any occurrence give rise to the application of more than one deductible amount for any one **premises**, only the highest deductible will be applied.

### 2. CO-INSURANCE

This clause applies separately to each item for which a co-insurance percentage is specified in the Declaration Page(s) and only where the amount of loss or damage exceeds \$50,000.

The Insured shall maintain insurance concurrent with this Form on the insured property to the extent of at least the amount produced by multiplying the value of the property as defined under Item 5. – Basis of Valuation of the SPECIAL PROVISIONS by the co-insurance percentage specified on the Declaration Page(s). If the Insured fails to do so, the Insured shall be entitled to recover only that portion of any 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.

Value of the Property: For the purpose of applying this paragraph 2. Co-insurance, the value of the property is determined by Item 5.– Basis of Valuation of the SPECIAL PROVISIONS. However, if the Declaration Page(s) specifies that this policy is endorsed with a Form that contains a Replacement Cost clause applicable to this Form, then for the purpose of applying this paragraph 2. Co-insurance, the Replacement Cost clause will establish the value of the property to which the Replacement Cost Clause applies, and Item 5.– Basis of Valuation, will be of no force or effect with respect to that valuation.

### 3. PROPERTY PROTECTION SYSTEMS

It is a condition of this insurance that the Insured shall immediately notify the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any:

- 3.1. sprinkler or other fire extinguishing system; or
- 3.2. fire detection system; or
- 3.3. intrusion detection system;

and shall also immediately notify the Insurer of the cancellation or non-renewal of any contract which provides monitoring or maintenance services to any of these systems or of the notification of the suspension of police service in response to any of these systems.

#### 4. PREMIUM ADJUSTMENT

This clause is applicable if a specific amount of insurance is shown on the Declaration Page(s) for **stock**.

If, within six (6) months after the expiry or anniversary date of each policy period, the Insured shall file with the Insurer a Premium Adjustment Application Form showing, for the policy period, the value of the **stock** on the last day of each month at each **premises** as commented upon by the Insured's Accountant, the actual premium for the policy period shall then be calculated at the rate applying to each **premises** for the average amount of the total values declared. If the premium paid by the Insured for such **stock** exceeds the actual premium thus calculated, the Insurer shall refund to the Insured any excess paid, subject to a maximum refund of 50% of the premium paid. In the event of any monthly declared values being in excess of the amount of insurance, the amount of the excess shall not be included in the premium adjustment calculations..

#### 5. BASIS OF VALUATION

The value of the insured property shall be determined as follows:

- 5.1. **unsold stock:** the actual cash value of the property at the time and place of loss or damage, but in no event to exceed what it would cost to repair or replace with material of like kind and quality;
- 5.2. **sold stock:** the selling price after allowance for discounts;
- 5.3. the property of others in the custody or control of the Insured for the purpose of performing work upon it: the amount for which the Insured is liable, but not exceeding the actual cash value at the time and place of loss or damage plus allowance for labour and materials expended to such time;
- 5.4. tenant's improvements:
  - 5.4.1. if repaired or replaced with due diligence and dispatch, the amount actually and necessarily expended, but not exceeding the actual cash value of the tenant's improvements at the time and place of loss or damage;
  - 5.4.2. if not repaired or replaced with due diligence and dispatch, that portion of the original cost of the lost or damaged tenant's improvements which the unexpired term of the lease at the time of loss or damage bears to the period(s) from the date(s) such tenant's improvements were made to the expiration date of the lease.
- 5.5. business records, including those which exist on electronic or magnetic media (other than pre-packaged software programs):
  - 5.5.1. the cost of blank materials for reproducing the records; and
  - 5.5.2. the costs of labour to transcribe or copy the records when there is a duplicate.
- 5.6. all other insured property under this Form and for which no more specific conditions have been set out: the actual cash value at the time and place of loss or damage, but not exceeding what it would then cost to repair or replace with material of like kind and quality.

Actual Cash Value: Various factors shall be considered in the determination of actual cash value. The factors to be considered shall include, but not be limited to, replacement cost less any depreciation and market value. In determining depreciation, consideration shall be given to the condition of the property immediately before the damage, the resale value, the normal life expectancy of the property and obsolescence.

#### 6. LIBERALISATION CLAUSE

If, during the policy period, the Insurer introduces any broadening of the coverage for this Form or its replacement, for which no additional premium is charged, then the broadened coverage shall apply to the benefit of the Insured from the introduction date of the broadened coverage.

#### 7. INFLATION PROTECTION

- 7.1. The amount of insurance shown in the Declaration Page(s) for the Buildings and/or Contents will automatically be increased as determined by the Insurer, based on available inflation data.
- 7.2. On renewal or anniversary date, the amounts of insurance will be automatically increased accordingly and the premium adjusted.

#### 8. SPECIAL PROVISIONS APPLICABLE TO CONDOMINIUMS

- 8.1. Property Insured  
This Form insures the **buildings** and **contents** as described in the Declaration Page(s).
- 8.2. Additional Exclusions

**This Form does not insure loss or damage to:**

- 8.2.1. **buildings** or **contents**, if all **units**, are to the knowledge of the **Condominium Corporation** vacant or unoccupied for more than 30 consecutive days;
  - 8.2.2. property belonging to the owners of individual **units**;
  - 8.2.3. improvements and betterments to individual **units** made or acquired by the owners of such **units**;
- 8.3. Loss Adjustment

**Applicable to Québec policies**

Loss adjustment (in accordance with the terms of article 1075 of the Civil Code of Quebec)

The indemnity owing to the syndicate following a substantial loss is, notwithstanding article 2494, paid to the trustee appointed in the constituting act of co-ownership or, where none has been appointed, designated by the syndicate.

**Applicable to policies for provinces and territories other than Québec**

The **Condominium Corporation** has the exclusive right to adjust any loss with the Insurer, and the owner of a damaged **unit** is bound by such adjustment, provided, however, that the said **Condominium Corporation**, may in writing authorize an owner to adjust any loss to his **unit** with the Insurer.

## DEFINITIONS

Wherever used in this Form:

#### 1. BUILDING means:

- 1.1. the building(s) described in the Declaration Page(s) and includes:
  - 1.1.1. fixed structures pertaining to the **building(s)** and located on the **premises**. Such structures include, but are not limited to, antennae and their wiring, fencing, signs, lighting, wind turbines, solar panels and satellite dishes;
  - 1.1.2. additions and extensions communicating and in contact with the **building(s)**;
  - 1.1.3. permanent fittings and fixtures attached to and forming part of the **building(s)**;
  - 1.1.4. materials, equipment and supplies on the **premises** for maintenance of, and normal repairs and minor alterations to the **building(s)** or for building services.
  - 1.1.5. trees, shrubs and growing plants or flowers inside the **building(s)** used for decorative purposes;
  - 1.1.6. At the option of the Insured, and only for a **building** occupied as rented private residences:
    - 1.1.6.1. landlord's permanent fittings and fixtures, excluding furniture and furnishings in furnished suites or apartments;

- 1.1.6.2. cooking, cooling, dishwashing, heating and refrigerating apparatus in suites and apartments;
  - 1.1.6.3. electrical and lighting fixtures;
  - 1.1.6.4. awnings, blinds, screen doors, screens and shutters.
- 1.2. With regards to condominiums, those parts of the common property or common elements and the units as defined in the provincial or territorial legislation or in the registered documents of the **Condominium Corporation**.
2. **CASH CARDS** means cards designed to store a cash value by electronic means as a mode of payment, without a personal identification number and without direct access to a bank or other account.
3. **CLEAN UP** means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of **pollutants**, including testing which is integral to any of these processes.
4. **CONDOMINIUM CORPORATION** means a Corporation constituted under provincial legislation or territorial legislation relating to condominiums or co-ownership by declaration. It refers to a strata corporation in British Columbia and to a syndicate in Quebec.
5. **CONTENTS** means **equipment** and **stock**.
6. **DATA** means representations of information or concepts, in any form.
7. **DATA PROBLEM** means:
- 7.1. erasure, destruction, corruption, misappropriation, misinterpretation of **data**;
  - 7.2. error in creating, amending, entering, deleting or using **data**; or
  - 7.3. inability to receive, transmit or use **data**.
8. **EQUIPMENT** means:
- 8.1. generally all contents usual to the Insured's business, including furniture, furnishings, fittings, fixtures, machinery, tools, utensils, signs and appliances, other than **building** or **stock**;
  - 8.2. similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable;
  - 8.3. tenant's improvements, which are defined as **building** improvements, alterations and betterments made at the expense of the Insured to a building occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such **building**. If the Insured purchased the use interest in tenant's improvements made by a predecessor tenant, this Form applies as though such tenant's improvements had been made at the expense of the Insured
  - 8.4. glass or other equipment for which the Insured has assumed responsibility in a contract for a lease of premises.
9. **FIRE PROTECTIVE EQUIPMENT** includes tanks, **watermains**, hydrants, valves and any other apparatus whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
- 9.1. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
  - 9.2. any **watermains** or appurtenances located outside of the **premises** and forming a part of the public water distribution system;
  - 9.3. any pond or reservoir in which the water is impounded by a dam.
10. **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.
11. **LEAKAGE FROM FIRE PROTECTIVE EQUIPMENT** means:
- 11.1. the leakage or discharge of water or other substances from;
  - 11.2. the collapse of;
  - 11.3. the rupture due to freezing of;
- fire protective equipment** for the **premises** or for adjoining structures.
12. **MALICIOUS ACTS** means all acts of a malicious nature, except theft or attempted theft.
13. **NAMED PERILS** means:
- 13.1. fire or lightning;
  - 13.2. explosion;
  - 13.3. impact by aircraft, spacecraft or land vehicle (including articles dropped from them);
  - 13.4. **riot**, vandalism and **malicious acts**;
  - 13.5. smoke;
  - 13.6. **leakage from fire protective equipment**;
  - 13.7. windstorm or hail,
- provided such perils are not otherwise excluded in EXCLUSIONS – Item 2. (Excluded Perils) of this Form.
14. **POLLUTANTS** means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
15. **PREMISES** means:
- 15.1. the entire area within the property lines at the location(s) described in the Declaration Page(s) or at any newly acquired location, including:
    - 15.1.1. areas under adjoining sidewalks and driveways;
    - 15.1.2. in or on vehicles within 100 metres (328 feet) of such property lines described in 15.1.;
  - 15.2. in the open within 305 metres (1000 feet) of such property lines described in 15.1.
16. **PROPERTY OF EVERY DESCRIPTION** means **building**, **equipment** and **stock**.
17. **RIOT** includes open assemblies of strikers inside or outside the **premises** who have quit work and of locked-out employees.
18. **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**.

**19. STOCK** means:

- 19.1. merchandise of every description usual to the Insured's business;
- 19.2. packing, wrapping and advertising materials;
- 19.3. similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable;

**20. SURFACE WATER** means water or natural precipitation temporarily diffused over the surface of the ground.

**21. 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.

**22. UNIT** means the unit as defined in the declaration, description or bylaws of the **Condominium Corporation** or provincial or territorial legislation relating to condominiums or divided co-ownership. It refers to a strata lot in British Columbia and to a private portion in Quebec.

**23. WATERMAIN** means piping of a public potable water distribution system exclusively.

# EQUIPMENT BREAKDOWN RIDER

## 1. INSURING AGREEMENT

In consideration of the premium, the Company agrees with the Insured that if there is an Accident occurring during the Period of Coverage to the Insured Equipment as defined herein, while the Insured Equipment is at a location specified in the Declarations and subject to all the terms, provisions and conditions (including Statutory Conditions) of the policy, except as they may be varied herein, and to the Declarations, Exclusions and Conditions applicable to this Rider, as follows:

- (a) to pay for loss
  - (i) to the Insured Equipment and
  - (ii) to other Insured Propertydirectly damaged by the Accident;
- (b) if Option 3 is indicated as covered in the Declarations, to pay for loss of perishable Insured Property that spoils solely as a result of the Accident;
- (c) if Business Interruption / Extra Expense is covered by the policy to which this Rider is attached, to pay for the Business Interruption / Extra Expense which results solely from the Accident.

## 2. EXCLUSIONS

This Rider does not apply:

- (a) to loss caused by or resulting from nuclear reaction or radiation, or radioactive contamination, however caused;
- (b) to loss caused by or resulting from:
  - (i) war, including undeclared or civil war;
  - (ii) 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
  - (iii) insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these;
  - (iv) civil commotion or sabotage;but unless associated with the foregoing, loss from an Accident of Insured Equipment arising out of any strike, riot, civil commotion, acts of sabotage, vandalism or malicious acts by others is covered;
- (c) to loss caused by or resulting from pollution, contamination or damage by a Hazardous Substance, however caused, except as provided in Condition 7;
- (d) to loss from an Accident caused by or resulting from:
  - (i) earth movement, including but not limited to earthquake, landslide, mud flow, subsidence, volcanic eruption, tidal wave or tsunami;
  - (ii) wind, including but not limited to cyclone, tornado or hurricane;
  - (iii) fire, smoke or combustion explosion; or
  - (iv) water or other means used to extinguish a fire;
- (e) to loss caused by or resulting from:
  - (i) 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 Insured Equipment 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;
  - (ii) flood, however, if an Accident of Insured Equipment results from a flood, damage or expense caused by the Accident is covered;
  - (iii) lightning, if coverage for that cause of loss is provided by any other insurance in effect at the time of the loss;
  - (iv) escape of water resulting from an Accident unless:
    - a. coverage is not provided by any other insurance in effect at the time of the loss, and
    - b. the water escapes from Insured Equipment that normally contains water or steam;
  - (v) damage to Data used with any electronic computer or electronic data processing equipment except as provided in Condition 8;
- (f) to loss from:
  - (i) delay or interruption of business except as may be provided in Insuring Agreement 1(c);
  - (ii) any other indirect result of an Accident except as may be provided in Insuring Agreement 1(b) and 1(c);
- (g) to loss caused by or resulting 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:

  - (i) the erasure, destruction, corruption, misappropriation or misinterpretation of Data;
  - (ii) any error in creating, amending, entering, deleting or using Data;
  - (iii) the inability to receive, transmit or use Data; or
  - (iv) 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 Company shall pay for loss that ensues solely from the Accident of any other Insured Equipment;
- (h) to loss covered under the Commercial Edge or Business Edge policies.

### 3. CONDITIONS

#### 1. Limit of Liability

The Company's total liability from any One Accident under Insuring Agreements 1(a) and 1(b) shall not exceed the Limit of Liability as specified in the Declarations as applicable to this Rider.

#### 2. Business Interruption/Extra Expense

If the policy to which this Rider is attached insures against Business Interruption / Extra Expense, but not otherwise, this Rider also covers such Business Interruption / Extra Expense which results solely from an Accident of Insured Equipment subject to all the terms, provisions and conditions of the Business Interruption / Extra Expense coverages forming a part of this policy, and subject to the following additional provisions:

(i) **Notice of Accident and Commencement of Liability**

The Insured shall immediately give notice of Accident to any office of the Company and that notice must be confirmed in writing. The commencement of the Company's liability under this coverage shall be (1) the time of the Accident or (2) twenty-four hours before the notice of Accident is received, whichever is later.

(ii) **Limit of Insurance**

Under Insuring Agreement 1(c), the Company's liability for Business Interruption / Extra Expense shall be separate from and in addition to the Limit of Liability specified in the Declarations applicable to this Rider. This liability, however, is not to exceed the limit of Business Interruption / Extra Expense specified for this coverage in the policy.

#### 3. Expediting Expenses

If there is an Accident of Insured Equipment, the Company shall pay the reasonable extra cost to:

- (i) make temporary repairs;
- (ii) expedite permanent repairs; or
- (iii) expedite permanent replacement;

of the Insured Equipment or other Insured Property which is directly damaged by the Accident.

#### 4. By-Laws

If prior to the time of an Accident of Insured Equipment there is in force a law, by-law, ordinance, regulation, rule or ruling regulating or restricting repair, alteration, use, operation, construction or installation of Insured Property, the Company shall be liable under this Rider for:

- (i) 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, by-law, ordinance, regulation, rule or ruling;
- (ii) if Business Interruption / Extra Expense is provided by this Rider, but not otherwise, the increase in Business Interruption / Extra Expense caused solely as a result of the law, by-law, ordinance, regulation, rule or ruling.

#### 5. Professional Fees/Auditors Fees

If the policy to which this Rider is attached covers Professional Fees or Auditors Fees, but not otherwise, this Rider also covers such Professional or Auditors Fees subject to the limit specified for this coverage in the policy.

#### 6. Service Interruption

If there is an Accident of equipment not owned or operated by the Insured, the Company shall be liable:

- (i) only if Option 3 is specified as covered in the Declarations, for loss of perishable Insured Property which spoils; and
- (ii) only if Business Interruption / Extra Expense insurance is provided by this Rider, for Business Interruption / Extra Expense;

but only if the equipment is:

- (i) of a type described in the applicable definition of Insured Equipment;
- (ii) located on or within one thousand (1000) metres of the Insured's premises;
- (iii) owned by the building owner at the premises of the Insured or by a public utility company; and
- (iv) used to supply steam, gas, air, water, refrigeration, electricity, air conditioning, heating or communication services to the Insured's premises.

#### 7. Hazardous Substances

If a Hazardous Substance is involved in or released by an Accident of Insured Equipment, the Company shall be liable to pay:

- (i) the increase in cost to repair, replace, clean up or dispose of, affected Insured Property; and
- (ii) if Business Interruption / Extra Expense coverage is provided by this Rider, the increase in Business Interruption / Extra Expense loss because of the presence of Hazardous Substances;

however, in no event shall the Company be liable for loss in excess of \$100,000.

As used in this coverage, increase in cost or in loss is that cost or loss beyond that for which the Company would have been liable had no Hazardous Substance been present.

#### 8. Data Coverage

If, as a result of an Accident of Insured Equipment, Data is lost or damaged, the Company shall be liable for:

- (i) the cost of gathering or reproducing the Data; and
- (ii) the Business Interruption/Extra Expense resulting from the loss or damage to the Data only if business Interruption/Extra Expense is provided by this form,

However, in no event shall the insurer be liable for loss in excess of \$50,000.

The Company shall not be liable for Data which is lost or damaged as a result of programming errors of any kind including the inability of software to correctly read, recognize, save, process or interpret any date or time.

#### 9. Basis of Settlement

(a) **Property Damage**

Under Insuring Agreement 1(a), the Company agrees to pay for Insured Property which is damaged, as follows:

- (i) on media, the cost of blank material;
- (ii) on exposed film, records, manuscripts and drawings, the cost of blank material plus the cost of transcription;
- (iii) on 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;
- (iv) on all other Insured Property, the lesser of the cost at the time of the Breakdown

(a) to repair; or

(b) to replace with similar property of like kind, capacity, size, quality and function.

The Company shall not be liable:

- (i) for the cost of repairing or replacing any part or parts of a piece of equipment which is greater than the cost of repairing or replacing the entire piece of equipment;
- (ii) for more than the cost to replace the property with other property of like kind, capacity, size, quality and function; nor
- (iii) for loss or damage to property which is useless or obsolete to the Insured.

If the damaged property is not repaired or replaced within 12 months after the date of the Accident, the Company's liability will only be for the Actual Cash Value of the damaged property. Actual Cash Value is the cost of replacing the damaged property with property of similar kind, capacity, size, quality and function less depreciation however caused. In determining depreciation consideration will be given to such items as the age, condition, and normal life expectancy of the property.

**(b) Spoilage**

If Option 3 is specified in the Declarations of this Rider, the Company shall pay under Insuring Agreement 1(b) the amount that is spent to replace perishable Insured Property which spoils solely as a result of the Accident of Insured Equipment. If the Insured Property is not replaced, the Company shall only pay for the Actual Cash Value of the property.

**10. Deductible**

From the total amount of loss, damage and expense for which the Company is liable following any One Accident of Insured Equipment shall be subtracted the Deductible specified in the Declarations.

**11. Inspection**

The Company shall have the right to make inspections of Insured Equipment at any reasonable time. Neither this right to make inspections nor making them is an undertaking to the Insured or others that the Insured Equipment is safe and not hazardous or injurious to health.

**12. Suspension**

Upon the discovery of Insured Equipment in or exposed to a dangerous condition any representative of the Company may immediately suspend the Insurance against loss from an Accident of that equipment (which will include any insurance 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 Declarations, or at the location of the equipment. The Company 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 equipment for the period that coverage is suspended.

**13. Errors and Omissions**

Insurance under this policy is extended to include the actual amount of loss, up to a maximum of \$250,000.00 for loss not otherwise payable if such loss arises solely out of an error or unintentional omission by the Named Insured in the description of insured property or in a description of the insured property's location. Immediately upon the discovery of any such error or omission, the Named Insured must notify the Insurer of the corrections that are needed. Nothing contained in this Coverage Extension 13 operates to increase the Insurer's limit of liability. The Insurer reserves the right to charge an appropriate premium or to impose appropriate, additional conditions with respect to any such corrections that are made to the policy.

**14. Brands and Labels**

This Coverage Extension 14 applies in the event of loss or damage (arising out of an Accident) to insured property bearing a brand name or trademark. The salvage value of such damaged insured property is determined after removal (in the customary manner) of all such brands or trademarks or other identifying characteristics. Insurance under this policy is extended to insure, up to a maximum of \$100,000.00, the cost of removal of such brands, trademarks or other identifying characteristics (provided that such removal will not physically damage the insured property) prior to the sale, as salvage, of such insured property damaged by an Accident; in accordance with value established by the Insurer during loss adjustment.

**14. Liberalization Clause**

For a period not exceeding twenty four months from this policy's first inception date, this policy is extended to include any extension of coverage afforded under the direct property damage section of the Equipment Breakdown/Boiler and Machinery policy immediately preceding this policy but not afforded by this policy or subject to a lesser limit under this policy, provided that:

- (a) such extension of coverage has not been declined by the present Insurer; and
- (b) such extension of coverage has not been refused by the Insured following conditions proposed by the present Insurer; and
- (c) the Insurer's liability does not exceed the amount of insurance specified for such extension of coverage in the prior policy; and
- (d) this Coverage Extension 14 is limited to a maximum recovery of \$50,000.00 in any one Policy Period.

If during the Policy Period the Insurer introduces any broadening of this Form BM12 and for which no additional premium is charged, then such broadened insurance inures to the benefit of the Insured under this Form (effective from the date of formal introduction by the Insurer of such broadened insurance).

**15. Interruption by civil authority:**

This Coverage Extension 15 does not apply if coverage for loss arising out of interruption by civil authority is specifically insured under a separate form of commercial property or business interruption insurance, whether attached to this policy or not. Insurance under this policy is extended to include the contiguous period of time, not exceeding twenty-one consecutive days that access to the insured premises is prohibited or denied by order of civil authority. Coverage under this extension clause 14 applies only when such order or denial is given as a direct result of an Accident at premises adjacent to the insured premises and only when such order or denial of access arises out of a peril that would have been insured against under this policy had the loss or damage occurred on the Named Insured's premises.

**4. DEFINITIONS**

**1. Insured Equipment – Option 1**

If Option 1 is specified as covered in the Declarations applicable to this Rider, Insured Equipment shall mean any equipment owned, leased, operated or controlled by the Insured as described below:

- A.** any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any piping and its accessory equipment, any heat exchanger that forms part of forced air heating equipment, but not including:
  - (i) any vessel or piping forming a part of a refrigerating or air conditioning system;
  - (ii) any boiler setting, any refractory or insulating material;
  - (iii) any part of a boiler or fired pressure vessel that does not contain steam or water; nor
  - (iv) any buried piping, any drainage piping, any sprinkler piping and its accessory equipment;
- B.** any mechanical or electrical equipment used for the generation, transmission or utilisation of mechanical or electrical power, but not including:
  - (i) any machinery or apparatus used for refrigeration or air conditioning;
  - (ii) any vehicle or mobile equipment;
  - (iii) any lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system; nor
  - (iv) any electronic machine, device or instrument or fibre optic cable used for research, diagnosis, treatment, communication, word processing, data processing, duplicating, monitoring or scanning.

**2. Insured Equipment – Option 2**

If Option 2 is specified as covered in the Declarations applicable to this Rider, Insured Equipment shall mean any equipment owned, leased, operated or controlled by the Insured as described below:

- A. any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any refrigerating or air conditioning vessels and piping or any other piping and its accessory equipment, any heat exchanger that forms part of forced air heating equipment, but not including:
    - (i) any boiler setting, any refractory or insulating material;
    - (ii) any part of a boiler or fired pressure vessel that does not contain steam or water; nor
    - (iii) any buried piping, any drainage piping, any sprinkler piping and its accessory equipment;
  - B. any mechanical or electrical equipment used for the generation, transmission or utilisation of mechanical or electrical power, but not including:
    - (i) any vehicle or mobile equipment;
    - (ii) any lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system; nor
    - (iii) any electronic machine, device or instrument used for research, diagnosis, treatment, communication, word processing, data processing, duplicating, monitoring or scanning.
3. **Insured Equipment – Option 3**
- If Option 3 is specified as covered in the Declarations applicable to this Rider, Insured Equipment shall mean any equipment owned, leased, operated or controlled by the Insured as described below:
- A. any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any refrigerating or air conditioning vessels and piping or any other piping and its accessory equipment, any heat exchanger that forms part of forced air heating equipment, but not including:
    - (i) any boiler setting, any refractory or insulating material;
    - (ii) any part of a boiler or fired pressure vessel that does not contain steam or water; nor
    - (iii) any buried piping, any drainage piping, any sprinkler piping and its accessory equipment;
  - B. any mechanical or electrical equipment used for the generation, transmission or utilisation of mechanical or electrical power, but not including:
    - (i) any vehicle or mobile equipment; nor
    - (ii) any lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system;
  - C. any electronic machine, device or instrument or fibre optic cable used for research, diagnosis, treatment, communication, word processing, data processing, duplicating, monitoring or scanning.
4. **Insured Property**
- Insured Property is:
- (a) property of the Insured; or
  - (b) property of others in the Insured's care, custody or control and for which the Insured is legally liable.
5. **Accident**
- Accident means a sudden and accidental failure of equipment resulting in physical damage to the equipment which requires the repair or replacement of the equipment or a part of the equipment.
- Accident does not mean:
- (i) depletion, deterioration, corrosion or erosion of material;
  - (ii) wear and tear;
  - (iii) vibration or misalignment;
  - (iv) the functioning of any safety device or protective device; nor
  - (v) the failure of a structure or foundation supporting the equipment or a part of the equipment.
6. **One Accident**
- If either the Accident of Insured Equipment causes the Accident of other Insured Equipment or a series of Accidents occur at the same time as a result of the same cause, they will all be considered as One Accident.
7. **Hazardous Substance**
- A Hazardous Substance is
- (i) any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
  - (ii) any Fungi or Spores or toxins created or produced by or emanating from such fungi or spores whether or not allergenic, pathogenic or toxigenic.
- As used herein Fungi includes, but is not limited to, any form or type of mould, yeast, mushroom, mildew, bacteria or wet or dry rot, 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.
- As used herein 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.
8. **Data**
- Data means facts, concepts, information or software in a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment.
9. **Media**
- Media means material on which data is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.

# CRIME 2.0

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## SUMMARY OF COVERAGES

Item	Coverage	Amount of Insurance per occurrence
1.	<b>Employee Dishonesty</b>	<b>\$50,000</b>
2.	<b>Theft, Robbery or Burglary</b>	<b>\$25,000</b>
3.	<b>Fraud – Limit per Coverage</b>	
3.1.	Money Orders or Counterfeit Money	<b>\$25,000</b>
3.2.	Forgery or Alteration	<b>\$25,000</b>
3.3.	Computer Fraud	<b>\$25,000</b>
3.4.	Funds Transfer Fraud	<b>\$25,000</b>
4.	<b>Expenses – Blanket Limit</b>	
4.1.	Professional Fees	
4.2.	Theft, Robbery or Burglary Reward	<b>\$10,000</b>
4.3.	Medical Expenses	
4.4.	Computer Data Restoration Expenses	

Certain words and phrases in bold font have special meaning as defined in the DEFINITIONS Section.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Form insures those coverages as specified in the Summary of Coverages Section of this Form.

In the event that more than one coverage as provided under this Form applies to the risk insured, only the coverage with the highest amount of insurance will apply.

### Coverage 1. – Employee Dishonesty

1. The Insurer will pay the Insured for the loss of **money, securities and other property** which:
  - 1.1. the Insured sustains, directly resulting from one or more **fraudulent or dishonest acts** committed by an **employee**, acting alone or in collusion with others;
  - 1.2. the Insured's **client** sustains, directly resulting from one or more **fraudulent or dishonest acts** committed by an **employee**, acting alone or in collusion with others.
    - 1.2.1. However, in the event of collusion between the Insured's **employee** and the Insured's **client's** employee, there will be no coverage provided to the Insured under this insurance.

### Coverage 2. – Theft, Robbery or Burglary

2. The Insurer will pay the Insured for:
  - 2.1. loss of, or damage to, **money** or **securities**, by their actual destruction, disappearance or theft;
  - 2.2. loss of, or damage to, **other property**, by actual or attempted **safe burglary** or **robbery**;
 which the Insured sustains from any of the following locations:
  - a. within the **premises**, bank or similar place of safe deposit;
  - b. while being carried by an armoured motor vehicle company or **messenger**;
 However, the Insurer will only pay for the amount of loss or damage the Insured cannot recover:
  - i. under a contract with the armoured motor vehicle company; and
  - ii. from any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.- c. within the living quarters of a **messenger**.
- 2.3. loss of, or damage to, **other property**, by theft while within the living quarters of a **messenger**;
- 2.4. damage to the **premises** or its exterior, directly resulting from, an actual or attempted theft, **robbery** or **safe burglary**, or by the unlawful entry or attempted unlawful entry into the **premises**, if the Insured is the owner of the **premises** or is liable for damage to the **premises**.

### Coverage 3. – Fraud

- 3.1. **Money Orders or Counterfeit Money**  
 The Insurer will pay the Insured for loss sustained by the Insured directly resulting from the Insured's acceptance in good faith:
  - 3.1.1. of a money order, or bank draft, issued or purported to have been issued by a bank, post office or express company, if such money order or bank draft is not paid upon presentation; or
  - 3.1.2. of counterfeit Canadian or United States currency that is acquired during the course of the Insured's business; in exchange for merchandise, **money** or services.

### 3.2. Forgery or Alteration Coverage

3.2.1. The Insurer will pay the Insured for loss sustained by the Insured, directly resulting from:

3.2.1.1. **forgery** or alteration of a **financial instrument** by a **third party**;

3.2.1.2. **forgery** or alteration of, on or in any written instrument required in connection with a credit card or automated teller card issued to the Insured or to a partner, officer or **employee** of the Insured or to the Insured's spouse or a child residing permanently in the residence of the Insured; provided, that the Insured fully complies with the provisions, conditions and other terms under which the card was issued, and that the issued card is solely used for the Insured's business;

3.2.1.3. theft of the Insured's automated teller card, provided the Insured fully complies with the provisions, conditions and other terms under which the card was issued, and that the issued automated teller card is solely used for the Insured's business.

If the Insured is sued for refusing to pay for any instrument covered above, on the basis that it has been forged, altered or stolen, and the Insured has the Insurer's written consent to defend against the suit, the Insurer will pay for reasonable legal expenses incurred by the Insured and pay that defence. The amount that the Insurer will pay for such legal expenses and defence costs is in addition to the amount of insurance applicable to this Coverage.

### 3.3. Computer Fraud

The Insurer will pay the Insured for loss of, or damage to, **money, securities or other property**, which the Insured or the Insured's **client** sustains and that is caused directly by **computer fraud**.

### 3.4. Funds Transfer Fraud

The Insurer will pay the Insured for loss of **money** or **securities** held in a **transfer account** sustained by the Insured and directly resulting from a **fraudulent instruction** directing a **financial institution** to transfer, pay or deliver such **money** or **securities** from a **transfer account**.

## Coverage 4. – Expenses

### 4.1. Professional Fees

The Insurer will pay for necessary and reasonable fees charged by auditors, accountants, lawyers or other professionals retained by the Insured, for the purpose of producing or certifying particulars or details of the Insured's business and that are required by the Insurer in connection with a covered loss or damage and in order to arrive at the loss or damage payable under this Form.

These professional fees exclude any fees and cost of public adjusters, as well as the salary of any officer or **employee** of the Insured.

### 4.2. Theft, Robbery or Burglary Reward

If a theft, **robbery** or **burglary** occurs or is attempted, resulting in a loss or damage covered by this Form, the Insurer will pay for information that leads directly to a criminal conviction in connection with such loss or damage. The Insurer's liability under this coverage shall not be increased by the number of persons who provide information.

### 4.3. Medical Expenses

The Insurer will pay the Insured for expenses related to reasonable medical expenses incurred by a **messenger** who sustains **bodily injury** during and because of a **robbery** or attempted **robbery**.

This Form covers the following expenses:

4.3.1. first aid at the time of **bodily injury** arising from such actual or attempted **robbery**;

4.3.2. necessary medical, surgical, x-ray and dental services, including prosthetic devices;

4.3.3. necessary ambulance, hospital, and professional nursing services;

4.3.4. mental health and counselling services; and

4.3.5. in the event of death resulting from such injury, the funeral expense;

All these expenses must be incurred within twelve (12) consecutive months from the date such injury is sustained, provided:

4.3.6. such expenses are not payable under a governmental medical, dental, surgical or hospitalization plan, or under any other insurance contract;

4.3.7. such expenses are not payable under a workers' compensation, disability or medical benefits or unemployment or employment compensation law or a similar law.

### 4.4. Computer Data Restoration Expenses

The Insurer will pay the Insured for **computer data restoration expenses** incurred by the Insured and resulting directly from a loss or damage covered under Coverages 1. – Employee Dishonesty or 3.3. Computer Fraud.

## EXCLUSIONS

This Form does not apply:

### 1. INVENTORY COMPUTATION

Under Coverage 1. – Employee Dishonesty only, to loss or damage, or to that part of any loss or damage, where the proof of its existence or its amount, is dependent upon an inventory computation or a profit and loss computation;

### 2. MONEY DEVICES

Under Coverage 2. – Theft, Robbery or Burglary only, to loss of or damage to **money** contained in any money operated device or machine, unless the amount of **money** deposited within the device or machine is recorded by continuous recording;

### 3. GIFT CARDS

To loss of, or damage to, any gift certificate, gift card or card that has monetary exchange value. However, this exclusion does not apply to the first \$1,000 of any loss or damage insured, and is only provided if the Insured fully complies with the provisions, conditions and other terms under which the gift certificate or card was issued;

### 4. ACT BY EMPLOYEE

Under Coverage 2. – Theft, Robbery or Burglary and Coverage 3. – Fraud only, to loss or damage resulting from any fraudulent, dishonest or criminal act by an **employee**, director, trustee or authorized representative of any Insured whether acting alone or in collusion with others. This exclusion does not apply to actual or attempted **safe burglary** or **robbery**;

## 5. WAR AND INVASION

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

## 6. ACCOUNTING

To loss or damage due to accounting or arithmetical errors or omissions;

## 7. NUCLEAR

To loss or damage caused directly or indirectly:

- 7.1. By any nuclear incident (as defined in the *Nuclear Liability and Compensation Act*, any other nuclear liability act, law or statute, or any amending law) or nuclear explosion;
- 7.2. By contamination by radioactive material;

## 8. CRIMINAL ACTS

To loss or damage due to any fraudulent, dishonest or criminal act by any Insured or partner of the Insured, whether acting alone or in collusion with others;

## 9. FIRE

To any loss or damage resulting from fire however caused, except loss to **money, securities**, or loss of or damage to a safe or vault;

## 10. THREAT TO BODILY HARM OR DAMAGES

To loss of, or damage to, **money, securities** or **other property**, after it has been transferred or surrendered to a person or place outside the **premises** as a result of a threat to do:

- 10.1. Bodily harm to any person; or
- 10.2. Damage to the **premises** or property owned by the Insured or held by the Insured in any capacity;

These exclusions do not apply to loss of, or damage to, **money, securities** or **other property**, while outside the **premises** and being conveyed by a **messenger**.

## 11. DEFENSE OF LEGAL ACTION

To the defence of any legal action brought against the Insured; or to fees, costs or expenses incurred by the Insured for any legal action relating to any loss or damage covered by this Form, unless specifically stated elsewhere in this Form;

## 12. POTENTIAL INCOME

To any potential income, including but not limited to interest and dividends, not realized because of a loss or damage covered under this Form;

## 13. LEGAL LIABILITY OF INSURED

To all damages of any type for which the Insured is legally liable, except direct compensatory damage arising from a loss or damage covered under this Form;

## 14. TERRORISM

To any loss or damage caused directly or indirectly, in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**;

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

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

## 15. DATA

To loss of or damage to **data**, or loss or damage caused directly or indirectly by a **data problem**, except as provided under Paragraph 4.4. Computer Data Restoration Expenses;

## 16. SOCIAL ENGINEERING FRAUD

To loss or damage directly or indirectly resulting from **social engineering fraud**;

## 17. CONFIDENTIAL OR PERSONAL INFORMATION

To loss or damage resulting from:

- 17.1. the disclosure of the Insured's or any other person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information; or
- 17.2. the use of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or other type of non-public information.

## 18. GOVERNMENT AUTHORITY

To loss or damage resulting from any seizure or destruction of property by order of any governmental authority.

# GENERAL AGREEMENTS

## 1. CONSOLIDATION, MERGER OR PURCHASE

If the Insured consolidates or merges with, or purchases or acquires the assets of another entity, the coverage provided by this Form shall be extended to such consolidated or merged entity or such purchased or acquired assets, provided the Insured shall give the Insurer written notice thereof within sixty (60) days thereafter and shall pay the Insurer an additional premium computed pro rata from the date of such consolidation, merger or purchase to the end of the current **policy period**.

## 2. JOINT INSURED

If more than one Insured is covered under this Form, the Insured first named shall act for itself and for every other Insured for all purposes of this Form.

Knowledge possessed, or discovery made by any Insured or by any partner or officer shall, for the purposes of General Agreements 11. PRIOR FRAUD, DISHONESTY OR CANCELLATION, 12. LOSS-NOTICE-PROOF-ACTION AGAINST INSURER and 18. CANCELLATION AS TO ANY EMPLOYEE, constitute knowledge possessed or discovery made by every Insured. Cancellation of the insurance as respects any **employee** as provided in General Agreement 18. below shall apply to every Insured.

If, prior to the cancellation or termination of this policy, this policy or any Coverage hereof is cancelled or terminated as to any Insured, there shall be no liability for any loss or damage sustained by such Insured unless discovered within one year from the date of such cancellation or termination.

Payment by the Insurer to the Insured first named of any loss or damage under this Form shall fully release the Insurer on account of such loss.

If the Insured first named ceases for any reason to be covered under this Form, then the Insured next named shall thereafter be considered as the Insured first named for all purposes of this Form.

### 3. TERRITORY

This Form insures acts committed or events occurring:

- 3.1. With respect to Coverage 1. – Employee Dishonesty:
  - 3.1.1. within Canada and the United States of America (including their territories and possessions);
  - 3.1.2. anywhere in the world, for loss or damage caused by any **employee** temporarily outside of the territory specified in 3.1.1. above, for a period not exceeding ninety (90) days;
- 3.2. With respect to Coverages 2. – Theft, Robbery or Burglary, 3.1. Money Orders or Counterfeit Money, 3.3. Computer Fraud, and 3.4. Funds Transfer Fraud, within Canada and the United States of America (including their territories and possessions);
- 3.3. With respect to Coverage 3.2. Forgery or Alteration, anywhere in the world.

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

With respect to loss or damage which occurs:

- 4.1. partly during the **policy period**; and
- 4.2. partly during the period of other bonds or policies issued by the Insurer to the Insured or to any predecessor in interest of the Insured and terminated or cancelled or allowed to expire and in which the period for discovery has not expired at the time any such loss or damage is discovered;

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

### 5. LOSS COVERED UNDER PRIOR INSURANCE

- 5.1. If the Insured or any predecessor in interest sustained a loss or damage during the period of any prior insurance that the Insured or such predecessor would have recovered under that insurance except that the time within which to discover the loss or damage had expired, the Insurer will pay for it under this Form, provided:
  - 5.1.1. the loss or damage is first discovered during the current **policy period**;
  - 5.1.2. the loss or damage would have been recoverable under the immediately preceding insurance, which prior policy is terminated, cancelled or allowed to expire as of the time of such substitution; and
  - 5.1.3. the loss or damage would have been covered by this Form had this Form been in effect when the loss or damage occurred.
- 5.2. The coverage under this General Agreement 5. is part of, and not in addition to, the amount of insurance applying under this Form and is limited to the lesser of the amount recoverable under:
  - 5.2.1. this Form as of the date such loss or damage was first discovered;
  - 5.2.2. this Form as of the date it was substituted for the prior insurance; or
  - 5.2.3. the prior insurance had it remained in effect.

### 6. LOSS OR DAMAGE SUSTAINED

Subject to General Agreement 5. LOSS COVERED UNDER PRIOR INSURANCE above, this Form applies only to acts committed or events which occurs during the **policy period** shown on the Declaration Page(s), and which are discovered by the Insured during the **policy period**, or during the period of time described under General Agreement 7. EXTENDED PERIOD TO DISCOVER LOSS below.

### 7. EXTENDED PERIOD TO DISCOVER LOSS

If, prior to the cancellation or termination of this policy, this policy or any Coverage is cancelled or terminated as to any Insured, there shall be no liability for any loss or damage sustained by such Insured unless discovered within one year from the date of such cancellation or termination.

### 8. LOSS CAUSED BY UNIDENTIFIABLE EMPLOYEES

If a loss or damage is alleged to have been caused by the **fraudulent or dishonest acts** of any **employee(s)** and the Insured is unable to identify the specific **employee(s)** causing such loss or damage, the Insured will have the benefit of Coverage 1. – Employee Dishonesty, subject to the provisions of the Exclusions to this policy, provided that the evidence submitted reasonably proves that the loss or damage was in fact due to the **fraudulent or dishonest acts** of **employee(s)**, and that the total liability of the Insurer will not exceed the amount of insurance applicable to Coverage 1. – Employee Dishonesty.

### 9. OWNERSHIP OF PROPERTY; INTERESTS COVERED

- 9.1. Insured's Property  
The property covered under this Form is limited to property that the Insured owns or leases, that is held by the Insured in any capacity or for which the Insured is legally liable, provided the Insured was liable for the property prior to the time the loss or damage was sustained.
- 9.2. Client's Property  
Solely with respect to the **client** coverage, the property covered under this Form is limited to property that the **client** owns or leases, that is held by the **client** in any capacity or for which the **client** is legally liable, provided the **client** was liable for the property prior to the time the loss or damage was sustained.

However, this insurance is for the Insured's benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss or damage that is covered under this Form must be presented by the Insured.

### 10. RECORDS

The Insured must keep records of all property insured under this Form in such manner from which the Insurer can accurately verify the amount of loss or damage.

### 11. PRIOR FRAUD, DISHONESTY OR CANCELLATION

Coverage 1. – Employee Dishonesty will not apply to any **employee** from the time that the Insured, any partner of the Insured or officer not in collusion with the **employee**, has knowledge or information that the **employee** has committed any **fraudulent or dishonest act**, whether the act was committed before or after the date of employment by the Insured.

If, prior to the issuance of this Form, any fidelity insurance in favour of the Insured or any predecessor in interest of the Insured and covering one or more of the Insured's **employee(s)** has been cancelled for any of such **employee(s)** by written notice of cancellation by that Insurer, and, if the **employee(s)** has not been reinstated under the coverage of that fidelity insurance or superseding fidelity insurance, the Insurer will not be liable on account of such **employee(s)** unless the Insurer has agreed in writing to include such **employee(s)** within Coverage 1. – Employee Dishonesty.

### 12. LOSS – NOTICE – PROOF – ACTION AGAINST INSURER

Upon knowledge or discovery of loss or damage or of an **occurrence** which may give rise to a claim for loss or damage, the Insured shall:

- 12.1. give notice thereof as soon as practicable to the Insurer or any of its authorized agents and, except under Coverages 1. – Employee Dishonesty and 3.2. Forgery or Alteration, also to the police if the loss or damage is due to a violation of law;
- 12.2. file detailed proof of loss or damage, duly sworn to, with the Insurer within four months after the discovery of loss or damage.

Proof of loss or damage shall include any document verifying the loss or damage which is the basis of claim for such loss or damage, or if it shall be impossible to file such document, the affidavit of the Insured or the Insured's bank of deposit setting forth the amount and cause of loss or damage shall be accepted in lieu thereof.

At the Insurer's request, the Insured must submit to examination, under oath if required, by the Insurer, all at reasonable times and places as the Insurer will designate. The Insured will cooperate with the Insurer in all matters pertaining to loss, damage or claims.

No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy, nor until 90 days after the required proofs of loss or damage have been filed with the Insurer, nor at all unless commenced within two years from the date when the Insured discovered the loss or damage, except in Québec, where such commencement begins within three (3) years of the discovery of such loss or damage.

If any limitation of time for notice of loss or damage or any legal proceeding herein contained is shorter than that permitted to be fixed by agreement under any statute controlling the construction of this policy, the shortest permissible statutory limitation of time shall govern and shall supersede the time limitation herein stated.

### 13. BASIS OF VALUATION – PAYMENT – REPLACEMENT

The value of the insured property shall be determined as follows:

#### 13.1. Loss of money:

The Insurer will pay for loss of or damage to **money**, but only up to its face value. The Insurer may, at its option, pay for loss of or damage to **money** issued by any country other than Canada:

13.1.1. at face value in the **money** issued by that country; or

13.1.2. in the Canadian dollar equivalent determined by the rate of exchange on the day the loss or damage was first discovered.

#### 13.2. Loss of Securities

The Insurer will pay for loss of or damage to **securities**, but only for the market value of such **securities** at the close of business on the business day immediately preceding the day on which the loss was discovered.

#### 13.3. Loss of or Damage to Other Property or Damage to Premises

In case of loss of or damage to **other property** or damage to the **premises**, the Insurer shall not be liable for more than:

13.3.1. the actual cash value of such property; or

13.3.2. the actual cost of repairing such property or of replacing same with property or material of like quality and value.

The Insurer may, at its election, pay such actual cash value, or make such repairs or replacements. If the Insurer and the Insured cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration.

### 14. RECOVERIES

Any recoveries, less the cost of effecting such recoveries, made after settlement of a loss or damage covered under this Form, shall be distributed as follows:

14.1. First, to the Insured in satisfaction of its covered loss or damage in excess of the applicable amount of insurance and any applicable deductible amount;

14.2. Second, to the Insurer in satisfaction of the amounts paid to an Insured for a covered loss or damage;

14.3. Third, to an Insured in satisfaction of any deductible amount applicable to such loss or damage.

Recoveries do not include any amounts recovered from insurance, suretyship, reinsurance, security or indemnity taken for the Insurer's benefit.

### 15. AMOUNT OF INSURANCE

The Insurer's total liability for all loss or damage resulting directly from an **occurrence** is the applicable amount of insurance shown in the Declaration Page(s) under each Coverage Section.

The maximum liability of the Insurer for loss or damage sustained will not exceed the amount of insurance as shown on the Declaration Page(s), regardless of the number of Insureds sustaining the loss.

Regardless of the number of years this policy continues in force and the number of premiums payable or paid, the limit of the Insurer's liability as specified on the Declaration Page(s) are not cumulative from **policy period** to **policy period**.

### 16. OTHER INSURANCE

#### 16.1. Insurance Issued by The Insurer or Any Subsidiary

Coverage provided under this Form may also be provided elsewhere by other coverages issued by the Insurer or a subsidiary of the parent of the Insurer to the Insured. In the event of any such coverage duplication or overlap, the limits afforded under the different coverages only and issued by the Insurer or a subsidiary of the parent of the Insurer to the Insured shall be cumulative, and this, notwithstanding any other provision to the contrary contained elsewhere within this policy or in any other policy issued by the Insurer or a subsidiary of the parent of the Insurer to the Insured.

In the event such loss or damage would also be afforded or invoked under any other valid or collectible insurance maintained by the Insured, except an insurance policy issued by the Insurer or a subsidiary of the parent of the Insurer, the provisions of clause 16.2. below will prevail.

#### 16.2. Insurance Issued by Another Insurer

Under any other Coverage provided by this Form, if there is any other valid and collectible insurance (except for an insurance policy issued by the Insurer or a subsidiary of the parent of the Insurer as described under Paragraph 16.1. above), which would apply in the absence of such Coverage, the insurance under this policy shall apply only as excess insurance over such other insurance, except in the province of Québec where each of the Insurers under its respective contract is liable to the Insured for its rateable proportion of the loss or damage.

### 17. SUBROGATION

In the event of any payment under this policy, the Insurer shall be subrogated to all the Insured's rights of recovery therefore against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after loss or damage to prejudice such rights.

### 18. CANCELLATION AS TO ANY EMPLOYEE

Coverage 1. – Employee Dishonesty, shall be deemed cancelled as to any **employee**:

18.1. Immediately upon discovery by the Insured, 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

18.2. Except in the province of Quebec, at 12:01 a.m. standard time as per the terms mentioned above, upon the effective date specified in a written notice mailed to the Insured.

Such date shall be not less than fifteen days after the date of mailing. The mailing by the Insurer of this notice to the Insured at the address shown in the Declaration Page(s) shall be sufficient proof of notice. Delivery of such written notice by the Insurer shall be equivalent to mailing. In the province of Quebec, cancellation shall be made by endorsement only.

### 19. NO BENEFIT TO BAILEE

This General Agreement applies only to Coverage 2. – Theft, Robbery or Burglary.

The insurance afforded by this Form shall not inure directly or indirectly to the benefit of any carrier or other bailee for hire.

### 20. DEDUCTIBLE

The Insurer will not pay for loss or damage directly resulting from an **occurrence**, unless the amount of loss or damage exceeds any deductible amount shown on the Declaration Page(s). The Insurer will then pay the amount of loss in excess of the deductible amount, up to the applicable amount of insurance.

# DEFINITIONS

Wherever used in this Form:

1. **Bodily injury** means bodily or mental injury, disability or shock sustained by a person, including death.
2. **Client** means a customer of the Insured to whom such Insured provides goods or services pursuant to a written contract or for a fee.
3. **Computer data restoration expenses** means reasonable expenses, other than the Insured's internal corporate costs, fees, wages and salary, incurred by the Insured, with the Insurer's prior written consent, to reproduce or duplicate damaged or destroyed **data** that was stored in the Insured's **computer system** and was damaged or destroyed directly as a result of a loss covered under Coverage 1. – Employee Dishonesty or 3.3. Computer Fraud. Such damaged or destroyed **data** shall be reproduced or duplicated from other **data** available to the Insured.  
However, if such damaged or destroyed **data** cannot be reproduced or duplicated from other **data**, then **computer data restoration expenses** means reasonable costs, other than the Insured's internal corporate costs, fees, wages and salary, incurred by the Insured for computer programmers or technology consultants to restore such damaged or destroyed **data** to substantially the same level existing immediately before the covered loss. **Computer data restoration expenses** shall not include any expenses incurred by a **client**.
4. **Computer fraud** means the unlawful taking of **money, securities or other property** resulting from:
  - 4.1. The unauthorized entry of **data** or computer instructions directly into; or
  - 4.2. The unauthorized change of **data** or computer instructions within;a **computer system**, including any such entry or change made via the internet, by a natural person or entity, other than an **employee** or any individual under the direct supervision of the Insured.  
**Computer fraud** does not include **social engineering fraud**.
5. **Computer system** means any computer or network of computers, including its input, output, processing, storage and communication facilities, operating system or application software, that is rented by, owned by, leased by, licensed to, or under the direct operational control of, the Insured.
6. **Data** means representations of information or concepts, in any form stored in a **computer system**.
7. **Data problem** means:
  - 7.1. Erasure, destruction, corruption, misappropriation, misinterpretation of **data**;
  - 7.2. Error in creating, amending, entering, deleting or using **data**; or
  - 7.3. Inability to receive, transmit or use **data**.
8. **Employee** means:
  - 8.1. Any natural person:
    - 8.1.1. While in the Insured's service and for the first thirty (30) days immediately after termination of service, unless such termination is due to any **fraudulent or dishonest acts** committed by such natural person;
    - 8.1.2. Who the Insured compensates directly by salary, wages or commissions; and
    - 8.1.3. Who the Insured has the right to direct and control while performing services for the Insured;
  - 8.2. Any natural person who is furnished temporarily to the Insured:
    - 8.2.1. To substitute for a permanent **employee**, as defined in Paragraph 8.1. who is on leave; or
    - 8.2.2. To meet seasonal or short-term workload conditions;Who the Insured compensates directly by salary, wages or commissions and while that person is subject to the Insured's direction and control and performing services for the Insured;
  - 8.3. Any natural person whose services are leased to the Insured under a written agreement between the Insured and a labor leasing firm, to perform duties related to the conduct of the Insured's business, but excluding any temporary **employee** defined in Paragraph 8.2. above; or
  - 8.4. Any natural person who is a former **employee** retained by the Insured as a consultant while performing services for the Insured;**Employee** does not mean:
  - 8.5. Any volunteer, agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in this Paragraph 8. Above;
  - 8.6. Any director or trustee, except while performing acts coming within the scope of the usual duties of an **employee**.
9. **Financial institution** means:
  - 9.1. A bank, trust company, savings bank, credit union, savings and loan association, or similar banking institution; or
  - 9.2. A stock brokerage firm, mutual fund, liquid assets fund, or similar investment institution.
10. **Financial instrument** means any cheque, draft, promissory note, or similar written promise, order or direction to pay a sum certain in **money** that is made, drawn by or drawn upon the Insured or made or drawn by anyone acting as the Insured's agent, or that is purported to have been so made or drawn.
11. **Forgery** means the signing of the name of another person or entity with intent to deceive. **Forgery** does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose. Facsimile, mechanical or electronically produced or reproduced signatures shall be treated the same as original signatures.
12. **Fraudulent instruction** means:
  - 12.1. An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction which purports to have been transmitted by the Insured, but which was, in fact, fraudulently transmitted by another party without the Insured's knowledge or consent;
  - 12.2. A written instruction issued by the Insured, which was forged or altered by another party without the Insured's knowledge or consent, or which purports to have been issued by the Insured, but which was, in fact, fraudulently issued without the Insured's knowledge or consent; provided, that this Paragraph 12.2. does not include any **forgery** covered under Paragraph 3.2. Forgery or Alteration.
13. **Fraudulent or dishonest acts** means only fraudulent or dishonest acts committed by an **employee** with the manifest intent:
  - 13.1. To cause the Insured to sustain such loss or damage; and
  - 13.2. To cause the Insured's **client** to sustain such loss or damage, solely for the purposes of the coverage afforded under Paragraph 1.2. of Coverage 1. – Employee Dishonesty; and
  - 13.3. To obtain financial benefit for the **employee**, or for any other person or organization intended by the **employee** to receive such benefit, but does not mean benefits earned in the normal course of employment.

- 14. Messenger** means the Insured or a partner of the Insured or any **employee** who is duly authorized by the Insured to have the care and custody of the property insured under this Form located outside or within the **premises**. **Messenger** does not include any person acting as a watchman, porter or janitor.
- 15. Money** means:
- 15.1. Currency, coins, bank notes and bullion; and
  - 15.2. Travellers' cheques, registered cheques and money orders, held for sale to the public.
- Money** does not include **virtual currency**.
- 16. Occurrence** means:
- 16.1. As with respect to Coverage 1. – Employee Dishonesty, all loss or damage caused by, or involving, one or more **employees**, whether the result of a single act or series of acts;
  - 16.2. As with respect to Coverage 3.2. Forgery or Alteration, all loss caused by any person or in which that person is involved, whether the loss or damage involves one or more instruments;
  - 16.3. As respects all other Coverages:
    - 16.3.1. An act or event, or series of related acts or events, involving one or more persons; or
    - 16.3.2. An act or event, or a series of related acts or events, not involving any person.
- 17. Other property** means any tangible property, other than **money** and **securities**, that has an intrinsic value.
- Other Property** does not include:
- 17.1. Intangible property such as computer programs or electronic data;
  - 17.2. Any Insured's or another entity's or person's confidential or personal information;
  - 17.3. Any property excluded under this Form; or
  - 17.4. **Virtual currency**.
- 18. Policy period** means each consecutive period of twelve (12) months included in the policy period shown on the Declaration Page(s). The first twelve-month period starts on the inception date of the policy and the subsequent period starts at the expiry of the first twelve-month period.
- 19. Premises** means:
- 19.1. The interior of that portion of any building; or
  - 19.2. Any temporary booth or similar location;
- Which is occupied by the Insured in conducting its business.
- For **robbery** only, the **premises** also include the space immediately surrounding such **premises**.
- 20. Robbery** means the unlawful taking of property from the care and custody of a person by someone who has:
- 20.1. Caused or threatened to cause that person bodily harm; or
  - 20.2. Committed an overt unlawful act witnessed by that person and of which that person was actually cognizant.
- 21. Safe burglary** means the unlawful taking of property from within a locked safe or vault by forcible or violent entry, as evidenced by visible marks upon its exterior, or the unlawful taking of a safe or vault from within the **premises**.
- 22. 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. **Securities** does not include **money** or **virtual currency**.
- 23. Social engineering fraud** means the intentional misleading of an **employee** or the Insured (if the Insured named in the Declaration Page(s) is a natural person who is a sole proprietor), through the use of an instruction received by the **employee** or the Insured that:
- 23.1. Causes such **employee** or such Insured to transfer, pay, or deliver **money, securities** or **other property**;
  - 23.2. Contains a misrepresentation of a material fact; and
  - 23.3. is relied upon by such **employee** or such Insured, believing the material fact to be true.
- 24. 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.
- 25. Third party** means a natural person, other than:
- 25.1. An **employee**; or
  - 25.2. A natural person acting in collusion with an **employee**.
- 26. Transfer account** means an account maintained by the Insured at a **financial institution** from which the Insured can initiate the transfer, payment or delivery of **money** or **securities** by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system, or by means of written instructions establishing the conditions under which such transfers are to be initiated by such **financial institution** through an electronic funds transfer system.
- 27. Virtual currency** means a digital or electronic medium of exchange that is used and accepted as a means of payment, but that is not issued by, or guaranteed by, a central bank, government or public authority.

## PROPERTY COVERAGE

# EARTHQUAKE SHOCK ENDORSEMENT

This endorsement changes the policy. Please read it carefully.

Certain words and phrases in bold have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this form; these titles have only been inserted for ease of reading.

This endorsement applies to the Property Coverage of the policy and is subject to the terms, conditions, limitations and exclusions that are applicable to the Property Insurance Form to which this endorsement is attached.

This endorsement applies separately to each location for which Earthquake Shock is specified in the Declaration Page(s).

### 1. INSURED PERIL

This insurance is extended to include **earthquake**.

### 2. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by **earthquake** exceeds the amount of the deductible specified on the Declaration Page(s) for this endorsement in any **earthquake occurrence**.

If a percentage deductible is specified, the amount of the deductible shall be that percentage of the amount of insurance for each item of insured property separately, as each such item is specified on the Declaration Page(s) or on a statement of values. If any such item shall insure two or more **buildings** and/or **contents**, this percentage deductible clause shall be applied separately to each **building** and/or **contents**.

If both a dollar amount deductible and a percentage deductible are specified on the Declaration Page(s), whichever deductible is greater shall apply. The dollar amount deductible shall apply separately to each **building** and/or **contents**, unless they are located on the same **premises**.

In the case only of Builders Risk insurance, the amount of the deductible shall be that percentage of total insured values existing at the time of an **earthquake occurrence**.

This deductible clause supersedes the provisions of any other deductible clause stated elsewhere in the policy.

### 3. EXCLUSIONS

This endorsement 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**:

- 3.1. fire, explosion, or smoke;
- 3.2. **leakage from fire protective equipment**;
- 3.3. theft, vandalism, or **malicious acts**;
- 3.4. flood, including **surface water**, waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water, waterborne objects or ice.

### 4. EXTENSION OF COVERAGE

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

### 5. DEFINITIONS

- 5.1. **Earthquake** includes snowslide, landslide, or other earth movements occurring concurrently with and directly resulting from an earthquake shock.
- 5.2. **Earthquake occurrence** means all earthquake shocks which occur within 168 consecutive hours, commencing during the policy period on or after the effective date of this endorsement. The expiration of this policy will not reduce the 168 hour period.
- 5.3. **Surface water** means water or natural precipitation temporarily diffused over the surface of the ground.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

## PROPERTY COVERAGE

# FLOOD ENDORSEMENT

This endorsement changes the policy. Please read it carefully.

Certain words and phrases in bold have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this form; these titles have only been inserted for ease of reading.

This endorsement applies to the Property Coverage of the policy and is subject to the terms, conditions, limitations and exclusions that are applicable to the Property Insurance Form to which this endorsement is attached.

This endorsement applies separately to each location for which Flood is specified on the Declaration Page(s).

### 1. INSURED PERIL

This insurance is extended to include **flood**.

### 2. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by **flood** exceeds the amount of the deductible specified on the Declaration Page(s) for this endorsement in any one **flood occurrence**.

This Deductible Clause applies separately to each **premises** or **project site** to which this endorsement applies.

### 3. EXCLUSIONS

This endorsement 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**:

- 3.1. the backing up or overflow, within the area bounded by the bearing walls and foundations of the building described on the Declaration Page(s), of water from within sewers, sumps, septic tanks or drains;
- 3.2. 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;
- 3.3. fire, explosion, smoke, leakage from **fire protective equipment**, theft, riot, vandalism or malicious acts;
- 3.4. leakage from a watermain.

### 4. EXTENSION OF COVERAGE

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

### 5. DEFINITIONS

- 5.1. **Flood** means the breaking out or overflow of any natural or artificial body of water and includes **surface water**, waves, tides, tidal waves and tsunamis.
- 5.2. **Flood occurrence** means all flooding which occurs within any 168 consecutive hours commencing during the policy period on or after the effective date of this endorsement. The expiration of this policy will not reduce the 168 hour period.
- 5.3. **Surface water** means water or natural precipitation temporarily diffused over the surface of the ground.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

# REPLACEMENT COST ENDORSEMENT - BUILDING AND/OR CONTENTS - BROAD FORM

Words and phrases in bold font or quotation marks have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under the following:

Building and/or Contents - Broad Form (BF02)

Commercial Building and Contents Named Perils Form (NP02)

This form applies only if **replacement cost** is indicated on the Declarations Page(s) as applying.

1. With respect to **building(s), equipment, and/or property of every description** at the **premises**, the value of the insured property shall be amended to **replacement cost** subject to the following:
  - 1.1. **replacement** shall be effected by the Insured with due diligence and dispatch;
  - 1.2. settlement on a **replacement cost** basis shall be made only when **replacement** has been effected by the Insured and in no event shall it exceed the amount actually and necessarily expended for such **replacement**;
  - 1.3. any other insurance effected by or on behalf of the Insured in respect of the insured perils under this policy on the property to which this endorsement is applicable shall be on the basis of **replacement cost**;
  - 1.4. failing compliance by the Insured with any of the above provisions, settlement shall be made as if this endorsement had not been in effect.
2. Any co-insurance calculation shall be based on a valuation of **replacement cost**.
3. In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that lost or damaged and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purposes of this endorsement.

#### 4. EXCLUSIONS

This endorsement does not apply to:

- 4.1. **stock**;
- 4.2. patterns, dies, molds;
- 4.3. 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;
- 4.4. business records, including those which exist on electronic or magnetic media (other than pre-packaged software programs);
- 4.5. any increase in the cost of **replacement** occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

#### DEFINITIONS

Wherever used in this Form:

1. **Replacement** includes repair, construction or re-construction with new property of like kind and quality; and
2. **Replacement cost** means whichever is the least of the cost of replacing, repairing, constructing or reconstructing the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

## PROPERTY COVERAGE

# SEWER BACK UP ENDORSEMENT

This endorsement changes the policy. Please read it carefully.

Certain words and phrases in bold have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this form; these titles have only been inserted for ease of reading.

This endorsement applies to the Property Coverage of the policy and is subject to the terms, conditions, limitations and exclusions that are applicable to the Property Insurance Form to which this endorsement is attached.

This endorsement applies separately to each location for which Sewer Back Up is specified on the Declaration Page(s).

### 1. INSURED PERIL

This insurance is extended to include **sewer back up**.

### 2. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by **sewer back up** exceeds the amount of the deductible specified on the Declaration Page(s) for this endorsement in any occurrence.

This Deductible Clause applies separately to each **premises** to which this endorsement applies.

### 3. LIMIT OF INSURANCE

If an amount of insurance is specified on the Declaration Page(s) for this endorsement, the Insurer shall not be liable for more than that amount.

### 4. DEFINITION

**Sewer back up** means the backing up or overflow, within the area bounded by the bearing walls and foundations of the building described on the Declaration Page(s), of water from within sewers, sumps, septic tanks or drains.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

# DATA EXCLUSION ENDORSEMENT

Words and phrases in bold font or quotation marks have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under the Property and Miscellaneous Coverages as stated on the Declaration Page(s).

## EXCLUDED PERIL

### 1. Data Exclusion

- 1.1. This Form does not insure **data**.
- 1.2. This Form does not insure loss or damage caused directly or indirectly by a **data problem**.

This exclusion (1.2) does not apply to loss or damage caused directly by resultant fire, explosion of natural, coal or manufactured gas, smoke, **leakage from fire protective equipment** or water damage caused by bursting of frozen pipes and tanks.

## DEFINITIONS

**Data** means representations of information or concepts, in any form.

**Data problem** means:

1. erasure, destruction, corruption, misappropriation, misinterpretation of **data**;
2. error in creating, amending, entering, deleting or using **data**; or
3. inability to receive, transmit or use **data**.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

# TERRORISM EXCLUSION

Certain words and phrases in bold font or quotation marks have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This endorsement attaches to and forms part of the Property and Miscellaneous Coverages as stated on the Declaration(s) Page(s).

This form does not insure against increased costs, and loss or damage caused directly or indirectly, in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**.

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

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

## DEFINITION

**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.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

## FUNGI AND FUNGAL DERIVATIVES EXCLUSION

**This endorsement changes the policy. Please read it carefully.**

Attached to and forming part of the Property and Miscellaneous Coverages as stated on the "Declaration page(s)".

This Form shall 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;
- (b) the cost or expense for any testing, monitoring, evaluating or assessing of "fungi", or "spores".

**Definitions:**

- (a) "**Fungi**" includes, but is not limited to, any form or type of mould, yeast, mushroom, mildew, bacteria or wet or dry rot, 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.
- (b) "**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".

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

# WATER DAMAGE DEDUCTIBLE ENDORSEMENT

Words and phrases in bold font or quotation marks have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under Building and/or Contents - Broad Form (BF02).

The Insurer is liable for the amount by which the loss or damage caused by water damage, with the exception of loss or damage caused by **sewer back up** or **flood**, while at the **premises**, exceeds the amount of the water damage deductible specified on the Declarations Page(s) in any one occurrence.

Should any occurrence give rise to the application of more than one deductible amount for any one **premises**, only the highest deductible will be applied.

## DEFINITIONS

**Flood** means the breaking out or overflow of any natural or artificial body of water and includes **surface water** waves, tides, tidal waves and tsunamis.

**Sewer back up** means the backing up or overflow, within the area bounded by the bearing walls and foundations of the building described on the Declarations Page(s), of water from within sewers, sumps, septic tanks or drains. For the purpose of this definition, the building does not include roadways, parking lots, other exterior paved surfaces, retaining walls or permanently installed landscape structures.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

# ROOF WATER EXCLUSION ENDORSEMENT

Words and phrases in bold font or quotation marks have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under Building and/or Contents - Broad Form (BF02).

## EXCLUDED PERIL

This form does not insure against loss or damage caused directly or indirectly by **roof water** unless through an aperture concurrently and directly caused by a peril not otherwise excluded in this Form.

This exclusion does not apply to loss or damage caused by the back up or overflow of water from within roof drains.

## DEFINITION

**Roof water** means the entrance of water or natural precipitation diffused over the surface of the roof.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

# PRIVACY BREACH EXPENSE ENDORSEMENT

## INSURING AGREEMENT A - PRIVACY BREACH EXPENSES and INSURING AGREEMENT B - BUSINESS INTERRUPTION

This Endorsement changes the policy. Please read it carefully.

Certain words and phrases in bold font have special meaning as defined in the DEFINITIONS section.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Endorsement. These titles have only been inserted for ease of reading.

This Endorsement applies to all locations insured under the property section of the policy and is subject to the terms, conditions, limitations and exclusions that are applicable to the commercial property insurance form to which this Endorsement is attached.

Coverage as extended by each Insuring Agreement of this Endorsement may also be provided elsewhere in the policy or by another policy issued to the **Named Insured** by the Insurer. In the event of any such coverage duplication or overlap, only the coverage as extended by this Endorsement will apply.

This Endorsement applies regardless of anything contained to the contrary in a policy Data Exclusion. Except to the extent of coverage under this Endorsement, the terms of such Data Exclusion remain in full force and effect.

### Amounts of Insurance:

The amounts of insurance for coverage as extended by this Endorsement under Insuring Agreements A and B are specified in the Declaration Page(s).

The maximum amount of insurance under this Endorsement during any one policy period shall not exceed in the aggregate, the amounts of insurance specified in the Declaration Page(s) for this Endorsement, regardless of the number of occurrences or claims, the number of breaches or the number of **Named Insureds**.

Multiple claims that arise from the same **privacy breach** will be regarded as one claim provided that occurrences giving rise to such multiple claims are discovered at the same time. An occurrence(s) giving rise to a claim and discovered at a later time within the policy period of this Endorsement, whether arising from the same cause or not, will be considered a separate claim.

### Deductible – Insuring Agreement A:

Each claim shall be adjusted separately and the deductible amount shown in the Declaration Page(s) shall be deducted from the amount of each such adjusted claim.

**Waiting Period Deductible – Insuring Agreement B:** The twenty-four (24) hour waiting period specified for **business interruption loss** (if any such insured loss occurs) shall apply with respect to each claim. Each such claim for **business interruption loss** shall be adjusted separately.

Coverage under the following Insuring Agreements applies to **remediation expenses** and **business interruption loss**, due to **privacy breach** that:

1. first takes place, or is first activated, during the policy period of this Endorsement; and
2. is discovered by the **Named Insured** or by an employee or volunteer worker of the **Named Insured**, during the policy period of this Endorsement.

## INSURING AGREEMENT A - PRIVACY BREACH EXPENSES COVERAGE

The Insurer will reimburse the **Named Insured** for **remediation expenses** that are incurred by the **Named Insured** in relation to the **Named Insured's** business activities. The amount of coverage for such expenses is included within (and is not in addition to) the Amount of Insurance that is specified in the Declaration Page(s).

## INSURING AGREEMENT B - BUSINESS INTERRUPTION COVERAGE

1. Coverage under this Endorsement applies, subject to Additional Condition B, to **business interruption loss** that is:
  - 1.1. related directly to and caused by a **privacy breach** to which coverage under Insuring Agreement A applies; and
  - 1.2. incurred no sooner than twenty-four (24) consecutive hours after such a **privacy breach** is first discovered.
2. Business interruption coverage includes, without increasing the amount of insurance for Insuring Agreement B, necessary extra expenses (excluding **remediation expenses** other than **computer forensic services**) for which the Insurer shall reimburse the **Named Insured** and that are required for the reduction of actual loss of net income when such extra expenses:
  - 2.1. are in excess of the **Named Insured's** normal operating expenses; and
  - 2.2. would not have been required had no **privacy breach** occurred; and
  - 2.3. are not otherwise excluded under this Endorsement.
3. The Insurer's liability for such necessary extra expenses shall not exceed the amount of said reduction. Such necessary extra expenses are not subject to the waiting period deductible that is specified above for Insuring Agreement B provided that such actual loss sustained of net income exceeds the specified twenty-four (24) hour waiting period.
4. The duration of coverage for **business interruption loss** ends at the earliest of the following times:
  - 4.1. after sixty (60) consecutive days beginning on the day that a **privacy breach** to which coverage under Insuring Agreement A applies is first discovered; or
  - 4.2. at the time that the **Named Insured's** declared business operations are returned to the same state or the same level of operation that existed immediately before the **privacy breach**.
5. The **Named Insured** shall with due diligence do, and shall agree to do and give permission to do all things that are reasonably practicable to minimize or check any interruption of or interference with the business or to avoid or diminish the loss.

## EXCLUSIONS (applicable to Insuring Agreements A and B unless otherwise specified)

Insurance granted by this Endorsement shall not apply to:

**1. Prior Knowledge**

Expenses or other loss arising from any fact or circumstance known to the **Named Insured** or to any Insured (or about which the **Named Insured** or any Insured should reasonably have known) prior to the effective date of this Endorsement.

**2. Employees' Own Computers**

Expenses or other loss arising from unauthorized use of, unauthorized access to, loss of or damage to **data** or information on a personal mobile device or any other computer equipment owned by an employee, volunteer or authorized representative of the **Named Insured**, except to the extent specified in EXTENSIONS OF COVERAGE section, item 2.

**3. Unexplained Loss**

Unexplained deletion, disappearance, loss or diminution of **data** or of non-computer data.

**4. Fines and Penalties**

Fines, penalties, sanctions, taxes, levies or assessments of any nature, including:

- 4.1. fines, fees or damages for breach of contract or for late or non-completion of orders or payments; or
- 4.2. levies or assessments that are related to payment cards or to Payment Card Industry Standards.

**5. Wear and Tear, Latent Defect, Inherent Vice**

Wear and tear, gradual deterioration, hidden or latent defect or any quality in **data**, in computer media or in non-computer data that causes it to damage or destroy itself.

**6. Information Technology Security**

- 6.1. A **privacy breach**, except for theft of non-computer data, arising from failure of the **Named Insured** (or of an employee, volunteer or authorized representative of the **Named Insured**) to diligently deploy updated functional security software including anti-malware software, anti-ransomware software, security patches, smart phone operating system and software updates and including a functional hardware firewall and, for each computer, a functional software firewall. Such deployment should be completed in accordance with a standard of care that at least meets, at the time of such breach, current standards and best practices for computer and **data** security;
- 6.2. For the purposes of the Exclusion 6.1. above, available security patches (available as patches in response to computer security threats as recognized and specified by any CERT entity, or available otherwise) or available smart phone operating system and software updates that are not applied automatically or semi-automatically must be applied by the **Named Insured** as soon as practicable following the **Named Insured's** discovery of a **privacy breach** related to a computer or **data** security vulnerability that is addressed by such a patch or by such an operating system or software update. In any event, such application should occur no later than thirty (30) days following a security patch or a smart phone operating system update being made available by a software developer, a software supplier, smart phone operating system provider or by a computer security specialist.

**7. Programming Errors**

Expenses or other loss arising from errors in the programming or configuration of computer equipment or from errors in the configuration of **data** or of computer media.

**8. Dishonest Acts**

Criminal, fraudulent or dishonest acts of any **Named Insured** or criminal or penal proceedings against any **Named Insured** (in any event, including any employee, volunteer or authorized representative of the **Named Insured**, whether acting alone or in collusion with others).

**9. Third Party Liability**

Loss, damage, expense or costs, including judgements against the **Named Insured**, arising out of liability to a third party.

**10. Legal Expenses**

Legal fees or other defence expenses.

**11. Illegal Gain**

Any gain, profit, remuneration or advantage to which the **Named Insured** is not legally entitled.

**12. Contractual Liability**

Liability assumed by the **Named Insured** under any contract or agreement except to the extent that the **Named Insured** would have been liable in the absence of such a contract or such an agreement.

**13. Consequential Loss**

Loss, damage, expenses or increased costs due to delay, loss of use, loss of market, loss of occupancy or, except to the extent of coverage under Insuring Agreement B, other interruption of business.

**14. Mechanical Breakdown and Service Interruption**

Loss, damage, expenses or increased costs due to mechanical failure, breakdown, short circuit or other electrical disturbance, or interruption of internet service or of electrical power supply.

**15. Betterment**

Any cost or expenses incurred to update, upgrade or otherwise improve **data**, non-computer data, computer media or computing equipment.

**16. Cyber Extortion**

Payments, including ransom, extortion or blackmail payments, made by the **Named Insured** in response to **cyber extortion** or otherwise complying with or responding to **cyber extortion**, except to the extent specified in EXTENSIONS OF COVERAGE section, item 3.

**17. Computer Forensic Services**

The following expenses as such expenses may arise in regard to **computer forensic services** or otherwise:

- 17.1. computer and device hardware or software costs, including the cost of acquiring, leasing, purchasing, altering, updating, replacing or repairing computer or device hardware or software;
- 17.2. the **Named Insured's** payments that are part of any service or maintenance contract; or
- 17.3. the remuneration of any employee, volunteer or authorized representative of the **Named Insured**, unless such expense is approved in writing by the Insurer beforehand.

With respect to Insuring Agreement B, in addition to the exclusions above, insurance granted by this Endorsement shall not apply to:

#### 18. Business Interruption

**Business interruption loss** arising out of unauthorized use of, unauthorized access to, loss of, or damage to unlicensed software or to copyrighted software that has been copied or that is being used without authorization.

### EXTENSIONS OF COVERAGE (subject to all other terms, conditions, limitations and exclusions of this Endorsement)

The following EXTENSIONS OF COVERAGE shall not increase the amounts of insurance that apply under this Endorsement and stated in the Declaration Page(s).

The following EXTENSIONS OF COVERAGE apply only with respect to a **privacy breach** that arises in regard to business activities of the **Named Insured** or of an employee, volunteer or authorized representative of the **Named Insured** while acting on behalf of the **Named Insured** in that capacity and that are activities related directly to the **Named Insured's** business operations.

COVERAGE IS EXTENDED TO:

1. Locations anywhere in the world if the **privacy breach** arises from the business activities of an employee, volunteer or authorized representative of the **Named Insured** who is away from Canada on the business of the **Named Insured** for a period not exceeding sixty (60) consecutive days. Coverage under this Endorsement does not apply in any country against which the Government of Canada has imposed economic or trade sanctions.
2. Computers, including tablets or smart phones that are personally owned by an employee, volunteer or authorized representative of the **Named Insured**, provided that any such computer, tablet or smart phone, at the time of a **privacy breach**, is being used with permission of the **Named Insured** on the **Named Insured's** business premises including offices in the homes of employees and while in transit to or from such offices and the **Named Insured's** business premises.
3.
  - 3.1. **Computer forensic services**, irrespective of an actual **privacy breach**, that are necessary to prevent or to mitigate **cyber extortion**, if such **computer forensic services** are approved in writing by the Insurer beforehand;
  - 3.2. Other **remediation expenses** due directly to **cyber extortion**;
  - 3.3. **Business Interruption loss** arising directly from a **privacy breach** that is due to **cyber extortion**.

### ADDITIONAL CONDITIONS

- A. **Notice to Insurer** - Applicable to Insuring Agreements A and B and the EXTENSIONS OF COVERAGE: As a condition of insurance under this Endorsement, the **Named Insured** shall give written notice to the Insurer as soon as practicable of a **privacy breach** or of **cyber extortion**. Such written notice to the Insurer must be given no later than thirty (30) consecutive days from the **Named Insured's** discovery of a **privacy breach** or of **cyber extortion**.
- B. **Data Backup Requirement - Reasonable Precautions** - Applicable to Insuring Agreement B and to the extent that coverage is provided for **business interruption loss** under the EXTENSIONS OF COVERAGE: As a condition of insurance under Insuring Agreement B of this Endorsement, with respect to insured **business interruption loss**, the **Named Insured** will have diligently instituted and deployed a backup strategy and procedures for the **Named Insured's** business-critical or sensitive **data**. Such strategy and procedures must include, as the minimum requirements, regular backups (daily, weekly or monthly), backup archiving and backup testing. Failure of the **Named Insured** to fulfill this requirement will void coverage under Insuring Agreement B with respect to **business interruption loss** due to a **privacy breach**.

This condition B does not apply to the theft of non-computer data.

### DEFINITIONS

For the purpose of this Endorsement:

1. **Business interruption loss** means actual loss sustained of net income, before taxes, excluding interest and after depreciation, from the **Named Insured's** declared business operations in Canada provided that such loss would not have been incurred had no **privacy breach** taken place.
2. **Computer forensic services** means investigation and analysis of, and documentation for, computer or computing equipment by a certified individual or organization from outside the **Named Insured** entity.
3. **Cyber extortion** means a demand that originates from outside the **Named Insured** entity, made to the **Named Insured** for money, currency or something else of value in exchange for not carrying out a threat to commit **privacy breach**. **Cyber extortion** also means a threat to disseminate, without authorization, **data** that are non-public and personal information as established by law, or to deny, to impede, to make unavailable or to otherwise disrupt access to such **data**.
4. **Data** means:
  - 4.1. representations of information or concepts in any form and residing in or on the **Named Insured's** computer equipment except for and excluding programmable manufacturing machines or programmable controllers for industrial use. Computer equipment includes smart phones to the extent that coverage in regard to such devices is provided by this Endorsement.
  - 4.2. **Data** does not:
    - 4.2.1. include money, currency, funds, bonds or instruments of debt, credit or equity;
    - 4.2.2. include deeds, accounts, bills, records, abstracts, manuscripts or other documents except as they have been converted to computer **data** and then only in that converted form;
    - 4.2.3. mean such property already sold or that is held for sale or for distribution.
5. **Named Insured** means the entity named in the Declaration Page(s).
6. **Privacy breach** means failure to prevent unauthorized use of or unauthorized access to **data** (excluding such unauthorized use, unauthorized collection or unauthorized access by the **Named Insured** or from within the **Named Insured** entity by a person or persons affiliated with the **Named Insured** entity) that are possessed, managed, entrusted to, or held by the **Named Insured** and that are non-public and personal information as established by Canadian law. **Privacy breach** also means theft of non-computer data (excluding theft by the **Named Insured** or from within the **Named Insured** entity by a person or persons affiliated with the **Named Insured** entity) that are possessed, managed, entrusted to, or held by the **Named Insured** and that are non-public and personal information as established by Canadian law. **Privacy breach** does not include theft of, or failure to prevent unauthorized use of or unauthorized access to, intellectual property or trade secrets of any kind.
7. **Remediation expenses** means reasonable and necessary expenses that are required by law or that have received the Insurer's consent and approval beforehand, incurred by the **Named Insured** for:
  - 7.1. notification to existing, prospective or former customers, or existing or former employees or members of the **Named Insured**, provided that the need for such notification arises directly from a **privacy breach**;
  - 7.2. **computer forensic services**, provided that such services are retained with the Insurer's written consent beforehand and provided that the need for such services arises directly from a **privacy breach** or from the need to prevent a **privacy breach**;
  - 7.3. public relations services, provided that such services are retained with the Insurer's consent beforehand and provided that the need for such services arises directly from a **privacy breach**;
  - 7.4. required notification of a **privacy breach** to a governmental entity with authority to regulate the privacy of non-public and personal information of Canadians.

**Remediation expenses** also means, with respect to a **privacy breach**, the **Named Insured's** expenditures that may be incurred for services for credit monitoring or for fraud monitoring and pertaining directly to existing, prospective or former customers, or existing or former employees or members of the **Named Insured**, such individuals notified in accordance with item 7.1. above, for a period not exceeding fifty-two (52) consecutive weeks from the date that the actual **privacy breach** is first discovered.

**All other terms and conditions of the policy to which this Endorsement applies remain unchanged.**

# PRIVACY BREACH LEGAL EXPENSE ENDORSEMENT

This Endorsement changes the policy. Please read it carefully.

Certain words and phrases in bold font have special meaning as defined in this Endorsement or in the Privacy Breach Expense Endorsement.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Endorsement. These titles have only been inserted for ease of reading.

This coverage extension supplements insurance provided under the Privacy Breach Expense Endorsement attached to this policy. Notwithstanding Exclusion 10. **Legal Expenses**, contained under the Privacy Breach Expense Endorsement form or any other contrary provision, this coverage extension is subject to all terms, conditions, exclusions and limitations provided under said Privacy Breach Expense Endorsement form.

## INSURING AGREEMENT - PRIVACY BREACH LEGAL EXPENSE COVERAGE

1. Insurance granted by this coverage extension shall apply to **legal fees or defence expense** that is necessarily incurred by the **Named Insured** with the Insurer's prior written consent and that arise directly or indirectly from, and are made necessary by a **civil proceeding** in regard to a **privacy breach** to which coverage as extended by Privacy Breach Expense Endorsement applies. No other fees, costs or expenses are within the scope of this coverage extension.
2. The **privacy breach**, which gives rise to the reimbursement of **legal fees or defence expense**, must take place and must be discovered for the first time while coverage under this extension is in effect.

## ADDITIONAL EXCLUSIONS

1. Insurance as provided by this coverage extension does not apply to the payment of indemnification or compensation of any kind.
2. Insurance as provided by this coverage extension does not apply to **legal fees or defence expense**:
  - 2.1. related to a dispute or an action of any kind between the **Named Insured** and the Insurer;
  - 2.2. related to any criminal or penal proceeding or to an intentional or criminal act of the **Named Insured** or any employee, volunteer or authorized representative of the **Named Insured**;
  - 2.3. in regard to the **Named Insured** as a plaintiff;
  - 2.4. in regard to the review or appeal of any decision;
  - 2.5. in regard to any regulatory or disciplinary action related to the **Named Insured's** profession.

## LIMITS OF INSURANCE AND DEDUCTIBLE

1. The Limit of Insurance for this coverage extension:
  - 1.1. is specified in the Declaration Page(s); and
  - 1.2. is an aggregate limit and is the most the Insurer will pay in a policy period regardless of the number of occurrences or claims, the number of **privacy breaches**, the number or types of fees or expenses or the number of **Named Insureds**.
2. The Insurer is liable for the amount by which the claim exceeds the sum (if any) stated, as the deductible, in the Declaration Page(s).

## ADDITIONAL CONDITIONS

1. If a Condition is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.
2. The **Named Insured** or its legal representative must take all reasonable steps to recover all costs and expenses on the Insurer's behalf and to preserve and to not prejudice the Insurer's rights to recover costs or expenses.
3. This coverage extension shall be interpreted and construed in accordance with the laws of the Canadian Province or Territory in which the policy was issued.
4. This coverage is excess over any other insurance, whether primary, excess, contingent or on any other basis.
5. This coverage extension shall apply exclusively to **civil proceedings** or claims arising in Canada.
6. The Insurer, at its sole discretion, may reimburse the **legal fees or defence expense** either directly to the **Named Insured** or pay the **legal fees or defence expense** invoice to another entity on the **Named Insured's** behalf.

## ADDITIONAL DEFINITIONS

1. **Civil proceeding** means a non-statutory civil action or a claim in which a third party is seeking damages arising from a **privacy breach** and includes:
  - 1.1. an arbitration proceeding; or
  - 1.2. any other alternative dispute resolution proceeding;

In which such damages are claimed and to which the **Named Insured** must submit or does submit with the Insurer's consent.

2. **Legal fees or defence expense** means the reasonable and necessary expenses (other than **remediation expenses**) that the Insurer shall pay with respect only to the **Named Insured** for:
- 2.1. fees of the **Named Insured's** attorney;
  - 2.2. experts' fees;
  - 2.3. judicial costs including but not limited to judicial stamps and fees for bailiffs, stenography and translation;
  - 2.4. loss of salary for an employee of the **Named Insured**, up to a maximum of \$500 per day, and due directly to attendance at a **civil proceeding** when such attendance is at the Insurer's request or is in response to a formal summons;
  - 2.5. other necessary costs that are incurred by the **Named Insured** at the Insurer's request or with the Insurer's prior consent, including court costs of a plaintiff that are ordered payable by the **Named Insured** following a **civil proceeding** to which this coverage extension applies.

**All other terms and conditions of this policy to which this Endorsement applies remain unchanged.**

## PROPERTY COVERAGE

# SEWER BACK UP ENDORSEMENT CONCURRENT FLOOD DEDUCTIBLE

This endorsement changes the policy. Please read it carefully.

Certain words and phrases in bold have special meaning as defined below or in the form to which this endorsement is attached.

Item 2. Deductible, provided under the Sewer Back Up Endorsement shown in the Declaration Page(s), is deleted in its entirety and replaced with the following:

### **2. Deductible**

The Insurer is liable for the amount by which the loss or damage caused by **sewer back up** exceeds the amount of the deductible specified on the Declaration Page(s) for this endorsement in any one occurrence.

This Deductible Clause applies separately to each **premises** to which this endorsement applies.

In the event that the **sewer back up** occurs concurrently or in any sequence to the occasioning of loss or damage caused by **flood**, as provided by the Flood Endorsement shown in the Declaration Page(s), the **sewer back up** deductible shall be increased to the amount of deductible specified on the Declaration Page(s) for **flood** coverage.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

# VIRUS AND BACTERIA EXCLUSION ENDORSEMENT

This Endorsement Changes the Policy. Please Read It Carefully.

Words and phrases in bold font or quotation marks have special meaning as defined below or in the Form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this endorsement. These titles have only been inserted for ease of reading.

This endorsement is attached to and modifies all commercial property coverage forms and endorsements in the policy, including but not limited to any of the following:

PROPERTY COVERAGE, including but not limited to Building and/or Contents Broad Form, Commercial Building and Contents Named Perils Form, Farm Outbuildings and Contents Broad Form and Farm Outbuildings and Contents Named Perils Form, as specified in the Declaration Page(s) for each Location;

BUSINESS INTERRUPTION COVERAGE, including but not limited to Profits, Profits Actual Loss Sustained, Gross Earnings, Gross Rentals, Rental Income and Contingent Business Interruption, as specified in the Declaration Page(s) for each Location;

BUILDERS RISK COVERAGE, as specified in the Declaration Page(s) for each Location;

EQUIPMENT BREAKDOWN COVERAGE, as specified in the Declaration Page(s) for each Location;

MISCELLANEOUS OR OTHER PROPERTY COVERAGE, including but not limited to Contractors Equipment Actual Cash Value Form and Farm Equipment Broad Form, as specified in the Declaration Page(s);

ANY EXTENSIONS, CLAUSES OR ADDITIONS OF COVERAGE to such a base Property, Business Interruption, Builders Risk, Equipment Breakdown, Miscellaneous Form or other form, including exceptions to exclusions.

The following paragraphs are added to the Forms:

- 1.1. This Form does not insure against loss or damage caused directly or indirectly, in whole or in part, by any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease. 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.
- 1.2. The exclusion in paragraph 1.1. does not apply to loss or damage caused directly or indirectly, in whole or in part, by **fungi** or **spores** directly caused by an insured peril not otherwise excluded under the policy, but only to the extent such loss or damage is insured under another Form in the policy.
- 1.3. With respect to any loss or damage subject to the exclusion in paragraph 1.1., such exclusion supersedes any exclusion relating to pollution, **pollutants** or **hazardous substance**.
- 1.4. The terms of the exclusion in paragraph 1.1., or the inapplicability of this exclusion to a particular loss, do not serve to create coverage that would not otherwise be included under the policy.

All other terms and conditions of this policy remain unchanged.

# COMMERCIAL GENERAL LIABILITY COVERAGE

## LIABILITY EDGE 1.0

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This Endorsement Changes the Policy. Please Read It Carefully.

Attached to and forming part of the Commercial General Liability Max form shown on the Declaration Page(s).

Except as otherwise provided in this Form, the following Extensions of Coverage are subject to all terms, conditions, exclusions, stipulations and provisions applicable to the Commercial General Liability Max form, including the right and duty to defend and the provisions of the SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D contained in SECTION I – COVERAGES.

Other words and phrases that appear in bold have special meaning. Refer to SECTION IV – DEFINITIONS of the Commercial General Liability Max form or in this Form. The definitions contained under this Form prevail over the definitions contained under the Commercial General Liability Max form.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

## SUMMARY OF COVERAGES

Items	Extensions of Coverage	Limits of Insurance
1.	Building Materials Replacement Cost	\$10,000
2.	Crane and Hoist Operators' Liability	\$25,000
3.	Difference in Deductibles	\$10,000
4.	Employee Benefit Liability	\$2,000,000
5.	Employers Liability – Voluntary Compensation	Subject to Schedule of Benefits described in Extension of Coverage
6.	Employment Practices Liability	\$10,000
7.	Financial Loss Coverage	\$25,000
8.	Hoist, Elevator, Escalator or Lift Collision	\$50,000 Per Occurrence
9.	Limited Coverage for Failure of Product or Work to Meet Written Specifications	\$25,000
10.	Limited Pollution Liability Coverage (120 Hours)	\$10,000 (including Clean-up costs)
11.	Penal Defence Costs Coverage	\$10,000 Per Offence \$25,000 Aggregate
12.	Product Recall Expenses	\$25,000
13.	Trademark Infringement	\$10,000

## LIMITS OF INSURANCE

- The Limits of Insurance shown above in the Summary of Coverages or in the Declarations Page(s) are the most we will pay under the Extensions of Coverage described below, regardless of the number of Insureds, claims made or **actions** brought, or persons or organizations making claims or bringing **actions**. If a limit of insurance for an Extension of Coverage is shown on both the Summary of Coverages above and in the Declaration Page(s), the higher limit will apply.
- Unless otherwise stated, each Limit of Insurance stated above or in the Declaration Page(s) is:
  - An Aggregate Limit of insurance that is the most we will pay under the applicable Extension of Coverage during the **policy period** for the sum of all amounts payable under that Extension of Coverage; and
  - In addition to, and not part of, the Limit of Insurance - Each Occurrence Limit applicable to the Commercial General Liability Max form.
- The Aggregate Limits of insurance applicable to the Extensions of Coverage described below apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the **policy period**, unless the **policy period** is extended after issuance for an additional period of less than twelve (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.

## EXTENSIONS OF COVERAGE

In the event that more than one Extension of Coverage applies to the risk insured, only the Extension of Coverage with the highest limit of insurance will apply. In the event a more specific coverage elsewhere in the Policy applies to the risk insured by one of these Extensions of Coverage, only that specific coverage, and not the Extension of Coverage contained in this Form, will apply.

### 1. BUILDING MATERIALS REPLACEMENT COST

#### 1.1. INSURING AGREEMENT

1.1.1. We will pay the cost of labour to remove and/or replace building material products installed by or on behalf of the Insured which are in place and form part of any type of structure or other property constructed or being constructed by or on behalf of the Insured;

Provided that:

1.1.1.1. The removal and/or replacement is made necessary by the ascertainment that such products are defective to the extent they have been rejected by the owner of the structure or their accredited representative or by any municipal or other authority having jurisdiction of the structure; and

1.1.1.2. The defect arose out of the design, manufacture, blending, mixing or compounding of such products.

1.1.2. This insurance shall not apply to any products installed prior to the effective date of this Policy.

## 2. CRANE AND HOIST OPERATORS' LIABILITY

### 2.1. INSURING AGREEMENT

We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages**, including resultant loss of use, for direct physical loss or destruction of, or damage to, the property of others only while such property is being moved or lifted by any of the Insured's cranes or by any similar equipment owned or rented by the Insured from the commencement of hitching the property to the crane or other similar equipment, until the property is unhitched.

### 2.2. ADDITIONAL EXCLUSIONS

**This insurance does not apply to loss of or damage to property directly or indirectly caused by or resulting from:**

- 2.2.1. Criminal or willful acts or omissions of an Insured;
- 2.2.2. The weight of any load, including the load block and all rigging, exceeding any or all of:
  - 2.2.2.1. The maximum allowable load;
  - 2.2.2.2. The lifting capacity;
  - 2.2.2.3. The rated load; or
  - 2.2.2.4. Eighty-five percent (85%) of the minimum tipping load;any or all of which may be set out in the manufacturer's specifications, capacity tables or rating sheets for the particular unit involved;
- 2.2.3. The neglect of an Insured to use all reasonable means to save and preserve the property at and after any loss;
- 2.2.4. Consequential loss however caused; or
- 2.2.5. Any insufficient, defective, or improper processing of or work done upon such property.

## 3. DIFFERENCE IN DEDUCTIBLES

### 3.1. INSURING AGREEMENT

If other insurance is provided under a **Wrap-Up Liability Insurance Policy**, we agree to indemnify you with respect to any loss arising from **your work**, for the difference in deductibles where the amount of any deductible applicable to this insurance is less than the amount of any deductible applicable to such **Wrap up Liability Insurance Policy**.

### 3.2. DEFINITION

For the purposes of this Extension of Coverage:

**Wrap-Up Liability Insurance Policy** means any specific liability insurance procured by any owner or anyone on the owner's behalf which insures the owner, you, majority of contractors, sub-contractors and others, engaged on a specific construction project.

## 4. EMPLOYEE BENEFIT LIABILITY

### 4.1. INSURING AGREEMENT

We will pay those sums that the **Insured** becomes legally obligated to pay as **compensatory damages** because of a **wrongful act** in the **administration** of your **employee benefit programs**, provided that the claim is first made during the **policy period** within Canada.

A claim by a person or organization seeking **compensatory damages** will be deemed to have been made when notice of such claim is received and recorded by any **Insured** or by us, whichever comes first.

### 4.2. EXCLUSIONS

**This insurance does not apply to any claim based upon:**

- 4.2.1. Failure of performance of contract by an insurer, or any other party, including the **Insured**, obligated to afford the benefits;
- 4.2.2. The **Insured's** failure to comply with any law concerning workers' compensation, employment insurance, social security, disability benefits or any similar law;
- 4.2.3. Any insufficiency of funds to meet any obligation under any plan included in the **employee benefits program**;
- 4.2.4. Failure of any investment plan to perform as represented by an **Insured**; or
- 4.2.5. Any advice given by an **Insured** to an **employee** to participate or not to participate in any investment plan.

### 4.3. EXTENDED REPORTING PERIOD

If this Policy is cancelled or not renewed for any reason except non-payment of the premium, we will provide an automatic extended reporting period of sixty (60) days for insurance provided under this Extension of Coverage.

A claim first made during the extended reporting period will be deemed to have been made on the last day of the **policy period** provided that the claim occurred before the end of the **policy period** and that we are notified not later than sixty (60) days after the end of the **policy period**.

### 4.4. DEFINITIONS

For the purposes of this Extension of Coverage:

#### 4.4.1. **Administration** means:

- 4.4.1.1. Application of rules determining eligibility for participation to the **employee benefit programs**;
  - 4.4.1.2. Calculation of service and compensation credits for benefits;
  - 4.4.1.3. Preparation of **employee** communications material;
  - 4.4.1.4. Maintenance of participants' service and employment records;
  - 4.4.1.5. Preparation of reports required by government agencies;
  - 4.4.1.6. Calculation of benefits;
  - 4.4.1.7. Orientation of new participants and advising participants of their rights and options with respect to the **employee benefit programs**;
  - 4.4.1.8. Interpreting the **employee benefit programs**;
  - 4.4.1.9. Collection of contributions and application of contributions as provided in the **employee benefit programs** and book keeping;
  - 4.4.1.10. Preparation of reports concerning participants' benefits; and
  - 4.4.1.11. Processing of claims, effecting enrollment, termination or cancellation of **employees** under the **employee benefit programs**;
- provided all such acts are authorized by you.

4.4.2. **Employee** means your officer or your employee, whether actively employed, disabled or retired.

4.4.3. **Employee benefit programs** means one or more of the following types of insurance or plans maintained by you solely for the benefit of **employees**:

- 4.4.3.1. Group life insurance, group accident or health insurance, profit sharing plans, pension plans and stock subscription plans, investment plans, unemployment insurance, social security benefits, workers' compensation and disability benefits insurance; or
- 4.4.3.2. Any other similar **employee benefit programs** sponsored by you.

4.4.4. **Insured** means:

4.4.4.1. The Named Insured described in the Declaration Page(s); and

4.4.4.2. Each executive officer or any person employed by you and who is authorized to administer your **employee benefit programs**.

4.4.5. **Loss** means any event which gives rise to one or more claims.

4.4.6. **Wrongful act** means any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or other act done or wrongfully attempted by an **Insured** or any matter claimed, against an **Insured**, by reason of or in connection with the **administration** of the **employee benefit programs**.

**5. EMPLOYERS LIABILITY – VOLUNTARY COMPENSATION**

5.1. INSURING AGREEMENT

If Employers Liability Coverage is provided under the Commercial General Liability Max form, we will pay, voluntarily, the benefits set out below either to or on behalf of an **employee** of the Insured on account of **bodily injury**, accidentally suffered by such **employee** and arising out of and in the course of his employment by the Insured, whether or not such **bodily injury** could give rise to liability imposed by law upon the Insured;

Provided that:

5.1.1. If the injured **employee** or any person acting on their behalf, refuses to accept the voluntary compensation benefits offered under the provisions of the preceding sub-paragraph, then we will be permitted, at any time in our discretion and without notice, to withdraw such offer to pay the said benefits, under which circumstances we will no longer be bound by the undertakings expressed in the preceding paragraph. If any claim or demand is made, or any **action** instituted against the Insured for damages for such injuries, such claim, demand or **action** will be considered a refusal to accept such voluntary compensation benefits and such refusal will abrogate in its entirety our agreement to pay such voluntary compensation benefits. In such event our obligation as expressed in other parts of the Policy having reference thereto will be available to the Insured and will be and remain our obligation as fully and completely as if this Extension of Coverage had not been written;

5.1.2. The benefits provided under this Extension of Coverage will not be payable unless at the time of the accident the **employee** was engaged in duties coming within the scope of the description of operations stated in the Declaration Page(s);

5.1.3. A full release of all claims of such **employee** or any person acting on their behalf, against the Insured is executed and delivered and that we will be subrogated in any rights of such **employee** or person (excluding all services available under any *Hospital Insurance Act* or any other similar law) against anyone other than the Insured and/or that such rights be transferred to us;

5.1.4. We shall in no event be liable under this Extension of Coverage for any claims arising from hernia, however caused.

5.2. SCHEDULE OF BENEFITS

5.2.1. Section I – Loss of Life

In the event of death resulting from **bodily injury** within a period of twenty-six (26) weeks after the date of the accident we will pay:

5.2.1.1. To dependants of the **employee** who were wholly dependent upon such **employee**, an amount equal to one hundred (100) times the **weekly indemnity** in addition to the benefits provided under Section II up to the date of death;

5.2.1.2. The actual funeral expenses not exceeding, however, the sum of \$500.

5.2.2. Section II – Temporary Total Disability

If such **bodily injury** shall within fourteen (14) days from the date of the accident totally and continuously disable the **employee** and prevent the **employee** from performing any and every duty pertaining to any occupation or employment, we will pay **weekly indemnity** for the period of such disability or for twenty-six (26) weeks whichever is the lesser period; provided however, that if the period of such disability is less than six (6) weeks, no benefit under this Section II shall be payable for the first seven (7) days of such disability.

5.2.3. Section III – Permanent Total Disability

If within twenty-six (26) weeks from the date of the accident and as a direct result of such **bodily injury**, the **employee** shall be deemed permanently and totally disabled, by medical evidence satisfactory to us, we will pay, in addition to the benefits provided under Section II, **weekly indemnity** for a further period of one hundred (100) weeks.

5.2.4. Section IV – Dismemberment Benefits

If such **bodily injury** shall within twenty-six (26) weeks from the date of the accident result in any one or more of the incapacities listed below in the SCHEDULE OF INCAPACITIES, we will pay **weekly indemnity** for the number of weeks shown opposite the incapacity in the said schedule in addition to the benefits payable under Section II, but in no event shall it be payable in addition to the benefits provided by Sections I and III.

The total amount payable under this Section IV for one or more incapacities shall not exceed one hundred (100) times the **weekly indemnity**.

**SCHEDULE OF INCAPACITIES:**

Incapacity	No. of weeks	Incapacity	No. of weeks
<i>Loss or total irrecoverable loss of use of:</i>		<i>Loss or total irrecoverable loss of use of:</i>	
Arm: (a) at or above elbow; or (b) below elbow	100 80	Leg: (a) at or above knee; or (b) below knee	100 75
Hand at wrist	80	Foot at ankle	75
*Thumb: (a) at or above the second phalangeal joint; or (b) below the second phalangeal joint involving a portion of the second phalange	25 18	+ Great toe: (a) at or above the second phalangeal joint; or (b) below the second phalangeal joint involving a portion of the second phalange	15 8
* Index Finger: (a) at or above the second phalangeal joint; or (b) at or above the third phalangeal joint; or (c) below the third phalangeal joint, involving a portion of the third phalange	25 18 12	+ Any other toe: (a) at or above the second phalangeal joint; or (b) at or above the third phalangeal joint; or (c) below the third phalangeal joint, involving a portion of the third phalange	10 5 3
* Any other finger: (a) at or above the second phalangeal joint; or (b) at or above the third phalangeal joint; or (c) below the third phalangeal joint, involving a portion of the third phalange	15 8 5	Sight of one eye Sight of two eyes Hearing of one ear Hearing of both ears	50 100 25 100

\*For a combination of two or more of the incapacities marked with an \*, the total amount payable shall not exceed eighty (80) times the **weekly indemnity**.

+ For a combination of two or more of the incapacities marked with a +, the total amount payable shall not exceed thirty-five (35) times the **weekly indemnity**.

5.2.5. Section V – Medical, Surgical, Dental, Pharmaceutical and Hospital Expenses

If such **bodily injury** necessitates medical or surgical treatment or confinement to hospital, we will pay in addition to all other benefits provided by this Form:

5.2.5.1. The cost of necessary medical, surgical, dental, pharmaceutical and hospital services (except those portions of such expenses payable or recoverable under any medical, surgical or hospitalization plan or law or under any other insurance policy or certificate issued to or for the benefit of any person for whom indemnity is provided), in accordance with the scale of charges provided by the *Workmen's Compensation Act* of the province in which the accident occurred during a period not exceeding twenty-six (26) weeks from the date of the accident; and

5.2.5.2. The cost of supplying or the reasonable renewing of prosthetic or orthopedic appliances as may be necessary for a period not exceeding fifty-two (52) weeks from the date of the accident.

5.3. SPECIAL CONDITION

We will have the right to examine the person of the injured **employee** when and as often as may be required while the claim is pending and also, in the case of death of the injured **employee**, to make an autopsy subject to any law of the province relating to autopsies. This Special Condition will not be held to vary, waive or extend any of the terms, conditions, exclusions, stipulations and provisions applicable to the Policy, other than as stated above.

5.4. DEFINITION

For the purposes of this Extension of Coverage:

**Weekly indemnity** means two-thirds of the **employee's** weekly wage at the date of the accident, but not exceeding in any event the sum of \$250 per week.

6. EMPLOYMENT PRACTICES LIABILITY

6.1. INSURING AGREEMENT

6.1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of a **wrongful act** related to **employment practices** committed during the **policy period**.

6.1.2. For the purpose of determining the applicability of this insurance, all **wrongful acts** related to **employment practices** involving the same Insured, regardless of the number or type of **wrongful acts**, shall be deemed to have occurred on the date of the first **wrongful act**.

6.2. DEDUCTIBLE

Our obligation to pay **compensatory damages** on the Insured's behalf applies only to the amount of **compensatory damages** in excess of the \$1,000 deductible applicable to this Extension of Coverage.

6.3. EXCLUSIONS

**This insurance does not apply to:**

6.3.1. **Losses**, other than defence costs, which constitute:

6.3.1.1. **Benefits** due, or to become due, or the equivalent value of such **benefits** except where such **loss** is based upon a claim or **action** for actual or alleged wrongful dismissal, discharge or termination of employment;

6.3.1.2. Salary, wages, **benefits** or any other cost or expense you shall incur or be required to pay as economic relief if you are ordered, pursuant to a judgment or final adjudication, but fail to reinstate the claimant as an **employee**;

6.3.1.3. The costs of compliance with or the satisfaction or remedy of an undertaking, a direction, an order, a violation, a determination or a certificate negotiated, issued, made or committed under the *Employment Equity Act* of Canada, or any costs associated with any accommodation or affirmative action programme required by, pursuant to or ordered under the *Canadian Human Rights Act*; or

6.3.1.4. The costs of compliance with any order for or grant of or agreement to provide injunctive or non-pecuniary relief;

6.3.2. Claims or **actions** arising out of any violation of an obligation imposed by any act or regulation related to pay equity, workers' compensation, industrial accidents and occupational disease, occupational health and safety, employment insurance, welfare and social welfare, social security or old age security, retirement benefits or pension plan benefits, or disability benefits. However, this exclusion shall not apply to any claim or **action**:

6.3.2.1. For actual or alleged discrimination or employment-related; or

6.3.2.2. Arising out of any actual or alleged retaliatory treatment against the claimant by you on account of the claimant's exercise of rights pursuant to any such law;

6.3.3. Claims or **actions** arising out of any arrangement or plan related to the value of the stock, shares or security of the Insured including any stock purchase, stock-based awards, stock option plans, phantom stock, stock appreciation rights or any stock-based compensation plan;

6.3.4. Claims or **actions** arising out of any act committed by or at the direction of an Insured with the intent of contravening any law or any governmental or administrative rider or regulation;

6.3.5. Claims or **actions** arising out of the assumption of liability by you in an oral or written contract, but this exclusion does not apply to liability that you would have in the absence of the contract;

6.3.6. Claims or **actions** for bodily injury (except mental anguish and emotional distress) or damage to or destruction of any tangible property, including loss of use;

6.3.7. Claims or **actions** based upon, arising out of any lock-out, strike, picket line, replacement workers, actual or alleged unfair practices or other similar actions resulting from labour disputes or labour negotiations;

6.3.8. Claims or **actions** arising out of:

6.3.8.1. Your **insolvency**;

6.3.8.2. The closure of a business operation or location by you; or

6.3.8.3. Any re-organization of employees which results, within any sixty-day period, in the termination of the employment of twenty-five percent (25%) or more of your total workforce; or

6.3.9. Claims made or **actions** brought by relatives of an **employee** or by members of the household of an **employee**.

6.4. COVERAGE TERRITORY

This Extension of Coverage shall only cover claims made or **actions** brought in Canada in respect of **wrongful acts** committed in Canada and based on Canadian law.

6.5. OTHER INSURANCE

Notwithstanding what is provided for in any General Conditions form applicable to this Policy, if the Insured has other valid insurance against **compensatory damages** covered by this Extension of Coverage, the coverage that applies most specifically to the claim or the **action** shall be primary and the other coverage shall be excess.

## 6.6. DEFINITIONS

For the purposes of this Extension of Coverage:

- 6.6.1. **Action** means a civil proceeding in which damages because of **employment practices** to which this insurance applies are alleged. **Action** includes an arbitration proceeding to which you must submit or do submit with our consent.
- 6.6.2. **Benefits** means perquisites, fringe benefits, payments in connection with an **employee benefit plan** and any other payment, other than salary or wages, to or for the benefit of an **employee** arising out of the employment relationship.
- 6.6.3. **Employee** means an individual who was, now is, or shall be employed by you.
- 6.6.4. **Employee benefit plan** means any retirement, pension, supplemental pension, savings, retirement saving, profit sharing, deferred compensation, change of control, insurance, medical, hospital, dental, vision care, drug, sick leave, short term or long term disability, salary continuation, vacation pay or other employee benefit, plan, program, arrangement, policy or practice whether written or oral, formal or informal, funded or unfunded, registered or unregistered that is maintained or otherwise contributed to, or required to be contributed to for the benefit of an **employee**.
- 6.6.5. **Employment practices** means:
  - 6.6.5.1. Wrongful dismissal, discharge or termination of employment;
  - 6.6.5.2. Breach of any oral or written employment contract;
  - 6.6.5.3. Violation of any law concerning discrimination in employment;
  - 6.6.5.4. Employment-related harassment, including sexual harassment or other harassment in the workplace;
  - 6.6.5.5. Wrongful deprivation of employment or promotion;
  - 6.6.5.6. Wrongful discipline;
  - 6.6.5.7. Employment-related invasion of privacy;
  - 6.6.5.8. Employment-related defamation;
  - 6.6.5.9. Employment-related wrongful infliction of emotional distress; and
  - 6.6.5.10. Employment-related misrepresentation.
- 6.6.6. **Insolvency** means:
  - 6.6.6.1. The financial position of the Insured as a debtor as that term is defined and used within the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. (1985), c. B-3 and, without limiting the generality of the foregoing, shall occur when any receiver, conservator, liquidator, trustee, sequestrator, court or similar provincial or federal official or a creditor takes control of, supervises, manages or liquidates the Insured; or
  - 6.6.6.2. A reorganization proceeding of the Insured under the *Companies' Creditors Arrangement Act*, R.S.C. (1985), c. C-36.
- 6.6.7. **Loss means compensatory damages** which you become legally obligated to pay on account of any claims made or **actions** brought against you for a **wrongful act**.
- 6.6.8. **Wrongful act** means any negligent act, error, omission, negligence, breach of duty or misleading statement related to **employment practices** actually or allegedly committed or commenced by you.

## 7. FINANCIAL LOSS COVERAGE

### 7.1. INSURING AGREEMENT

We will pay the amount that the Insured becomes legally obligated to pay as **compensatory damages** for any financial loss arising from:

- 7.1.1. A latent defect in **your product** or **your work**; or
- 7.1.2. An error made in instructions for use of **your product** or **your work**.

### 7.2. EXCLUSIONS

**This insurance does not apply to:**

- 7.2.1. Loss or damage arising out of any **bodily injury** or **property damage**;
- 7.2.2. Loss or damage arising out of any action based on the performance of a contract made by the Insured; or
- 7.2.3. Loss or damage caused by a delay in delivery.

## 8. HOIST, ELEVATOR, ESCALATOR OR LIFT COLLISION COVERAGE

### 8.1. INSURING AGREEMENT

- 8.1.1. We will pay the Insured for damage caused to any **elevator** or to **property insured** carried on such **elevators** caused by an accidental collision of the **elevator** with another object.
- 8.1.2. Property covered under this Extension of Coverage will be valued on an actual cash value basis at the time the damage occurs.

### 8.2. LIMIT OF INSURANCE

In addition to the provisions contained in Paragraph 1. of the Limits of Insurance section shown in this Form, the following provision applies to this Extension of Coverage:

The Limit of Insurance shown in the Summary of Coverages for this Extension of Coverage is a per occurrence limit and is the most we will pay under this Extension of Coverage for all damages arising out of any one collision.

### 8.3. ADDITIONAL EXCLUSIONS

**This insurance does not apply to:**

- 8.3.1. Loss of use of property owned by the Insured;
- 8.3.2. **Property damage** resulting directly or indirectly from the breaking, burning out or disrupting of any electrical machine not located within the **elevator**; or
- 8.3.3. **Property damage** resulting directly or indirectly from fire, however caused.

### 8.4. DEFINITIONS

For the purposes of this Extension of Coverage:

- 8.4.1. **Elevator** means:
  - 8.4.1.1. Any hoisting or lowering device to connect floors or landings, whether or not in service, and all accessories of such hoisting or lowering devices, including any elevator car, platform, shaft, hoistway, stairway, runway, power equipment and machinery, but shall not include:
    - 8.4.1.1.1. Any bearing platform not exceeding nine square feet used exclusively for carrying property;
    - 8.4.1.1.2. Hod or material hoists used in connection with alterations, construction or demolition operations; or
    - 8.4.1.1.3. Inclined conveyers used exclusively for carrying property.
  - 8.4.1.2. Any hoist used for raising or lowering **automobiles** for lubricating and servicing; which is owned, rented, occupied, or used by you or is in your care, custody or control.

8.4.2. **Property insured** means property carried on an **elevator**, other than any hydraulic or mechanical hoist used for raising or lowering **automobiles** for lubricating or servicing, which is owned, leased or used by you or in your care, custody or control.

## 9. LIMITED COVERAGE FOR FAILURE OF PRODUCT OR WORK TO MEET WRITTEN SPECIFICATIONS

### 9.1. INSURING AGREEMENT

We will pay those sums that the Insured become legally obligated to pay as **compensatory damages** because of an **error** committed in the course of your **business operations** to which this insurance applies only if:

9.1.1. The **error** takes place in the **coverage territory**;

9.1.2. The **error** occurs during the **policy period**; and

9.1.3. Prior to the **policy period**, no Insured listed under Paragraph 1. of **SECTION II – WHO IS AN INSURED** of the Commercial General Liability Max form and no **employee** authorized by you to give or receive notice of an **occurrence** or claim, knew that the **error** had occurred.

### 9.2. DEDUCTIBLE

Our obligation to pay **compensatory damages** on the Insured's behalf applies only to the amount of **compensatory damages** in excess of the \$1,000 deductible applicable to this Extension of Coverage.

### 9.3. EXCLUSIONS

**This insurance does not apply to:**

9.3.1. Any claim arising out of or relating to **bodily injury, personal injury or advertising injury**;

9.3.2. Any claim arising out of or relating to **property damage** unless otherwise covered by this Extension of Coverage. This exclusion does not apply to loss of use of tangible property that is not physically damaged if the loss of use results from the failure of **your product or your work** to meet the **written specifications**;

9.3.3. Any claim arising out of **written specifications** that were not provided by the person or organization to whom the manufactured goods or products are sold;

9.3.4. Any claim arising out of any defect, deficiency or mistake in **written specifications**;

9.3.5. Any claim for costs or expenses incurred by any Insured for the repair or replacement of defective materials or workmanship in **your work**;

9.3.6. Any claim for an amount in excess of the cost for repair or replacement of **your product or your work** or the price at which **your product or your work** was sold to the customer, whichever is less;

9.3.7. Any claim arising out of or relating to cost guarantees, cost estimates or estimates of probable costs being exceeded;

9.3.8. Any claim for the return of all or any part of payments made to you by your customers for **your product or your work**;

9.3.9. Any liability assumed by any Insured under any written or verbal contract or agreement. This exclusion does not apply to a representation or warranty that **your product or your work** will substantially conform to the **written specifications**;

9.3.10. Any loss, cost or expense incurred by you or others arising out of or relating to the withdrawal or recall of **your work or your product or impaired property**, if such work or product or property is withdrawn or recalled from the market or from use by any person or organization because of a known defect, deficiency, inadequacy or dangerous condition in it;

9.3.11. Any dishonest, fraudulent, criminal or malicious act by or on behalf of any Insured or any person or organization for which the Insured is legally responsible;

9.3.12. Any **error** that occurred prior to the effective date of this Policy if any Insured at the effective date knew or could have reasonably foreseen that such an **error** might result in a claim or **action**;

9.3.13. Any **error** expected or intended by any Insured;

9.3.14. Any claim resulting from the actual or alleged violation of any anti-trust, restraint of trade, unfair trade practice, securities or other consumer protection law by an Insured;

9.3.15. Any **error** related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **error**.

#### 9.3.16.

9.3.16.1. Any **error** 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, clean up, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of **fungi or spores**;

9.3.16.2. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with sub-paragraph 9.3.16.1. above; or

9.3.16.3. Any obligation to pay damages, share damages with or repay someone else who must pay damages because of such **error** referred to in sub-paragraph 9.3.16.1. or 9.3.16.2. above.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **error**.

#### 9.3.17.

9.3.17.1. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;

9.3.17.2. Any **error** with respect to which an Insured under this Policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability;

9.3.17.3. Any **error** resulting directly or indirectly from the **nuclear energy hazard** arising from:

9.3.17.3.1. The ownership, maintenance, operation or use of a **nuclear facility** by or on behalf of an Insured;

9.3.17.3.2. The furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**; or

9.3.17.3.3. The possession, consumption, use, handling, disposal or transportation of **fissionable substances**, or of other **radioactive material** (except radioactive isotopes, away from a **nuclear facility**, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **error**.

9.3.18.

9.3.18.1. Any **error** arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**;

9.3.18.2. Any loss, cost or expense arising out of any:

9.3.18.2.1. Request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize or in any way respond to, or assess the effects of, **pollutants**; or

9.3.18.2.2. Claim or **action** by or on behalf of a governmental authority for **compensatory damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, decontaminating, stabilizing, remediating or neutralizing or in any way responding to, or assessing the effects of, **pollutants**.

9.3.19. Any **error** due to the rendering of or failure to render by you or on your behalf of any **professional services** for others, or any error or omission, malpractice or mistake in providing those services. This exclusion does not apply to coverage provided by this Form because of an **error** committed in the course of your **business operations** to which this insurance applies;

9.3.20. Any **error** arising out of or related to the provision of consulting, advice, opinions, design or any other services in connection with any provincial Building Code(s) Regulation or Legislation;

9.3.21. Any **error** arising directly or indirectly, in whole or in part, out of **terrorism** or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **error**.

9.3.22. Any **error** arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **error**.

9.4. DEFINITIONS

For the purposes of this Extension of Coverage:

9.4.1. **Business operations** means your operations described in the Declaration Page(s).

9.4.2. **Error** means any error, omission or negligent act by or on behalf of any Insured which results in the failure of **your product** or **your work** to meet the specifications described in **written specifications**, after final acceptance of **your product** or **your work** by your customer.

9.4.3. **Written specifications** means written specifications as to the nature and content of **your product** or **your work** purchased from the Insured, which are provided in advance by an Insured to the customer to whom **your product** or **your work** is being offered for sale.

10. LIMITED POLLUTION LIABILITY COVERAGE (120 HOURS)

Exclusion 4. POLLUTION under COMMON EXCLUSIONS – COVERAGES A, B, C AND D of SECTION I - COVERAGES from the Commercial General Liability Max form, is deleted and replaced by the following:

This insurance does not apply to:

4. POLLUTION

4.1. **Bodily injury, property damage or personal injury** arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**:

4.1.1. 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 sub-paragraph does not apply to:

4.1.1.1. **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;

4.1.1.2. **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;

4.1.1.3. **Bodily injury or property damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight, a **hostile fire**; or

4.1.1.4. **Bodily injury or property damage** occurring at any premises, site or location situated in Canada and arising out of an unexpected or unintentional spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** provided such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**:

4.1.1.4.1. Results in the injurious presence of **pollutants** in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and

4.1.1.4.2. Is detected within 120 hours after the commencement of such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape; and

4.1.1.4.3. Is reported to us within 120 hours of the detection of such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape; and

4.1.1.4.4. Occurs in a quantity or with a quality that is in excess of that which is routine or usual to the business of the Insured;

4.1.2. 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;

4.1.3. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

4.1.3.1. Any Insured; or

4.1.3.2. Any person or organization for whom you may be legally responsible; or

4.1.4. 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 sub-paragraph does not apply to:

4.1.4.1. **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 or its parts, if such fuels, lubricants or other operating fluids escape from a permanent and integral 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;

4.1.4.2. **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;

4.1.4.3. **Bodily injury or property damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight, a **hostile fire**; or

- 4.1.4.4. **Bodily injury or property damage** occurring at any premises, site or location situated in Canada and arising out of an unexpected or unintentional spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** provided such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**:
  - 4.1.4.4.1. Results in the injurious presence of **pollutants** in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and
  - 4.1.4.4.2. Is detected within 120 hours after the commencement of such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape; and
  - 4.1.4.4.3. Is reported to us within 120 hours of the detection of such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape; and
  - 4.1.4.4.4. Occurs in a quantity or with a quality that is in excess of that which is routine or usual to the business of the Insured; or
- 4.1.5. 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, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of **pollutants**.
- 4.2. Any loss, cost or expense arising out of any:
  - 4.2.1. Request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or
  - 4.2.2. Claim or **action** by or on behalf of a governmental authority for **compensatory damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, decontaminating, stabilizing, remediating or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.

However, this Section 4.2. does not apply to liability for **compensatory damages** because of **property damage** that the Insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or **action** by or on behalf of a governmental authority.
- 4.3. DEDUCTIBLE
  - 4.3.1. Our obligation to pay **compensatory damages** for **bodily injury or property damage** and loss, cost or expense for **clean up** under this Extension of Coverage applies only to the amount in excess of the \$1,000 deductible applicable to this Extension of Coverage.
  - 4.3.2. Regardless of the number of Insureds, claims or **actions**, the deductible amount applies to all **compensatory damages** because of **bodily injury or property damage** and loss, cost or expense for **clean up** arising out of a **pollution condition**.
- 4.4. ADDITIONAL DEFINITIONS
 

For the purposes of this Extension of Coverage:

  - 4.4.1. **Clean up** means testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, decontaminating, stabilizing, remediating, neutralizing or in any way responding to or assessing the effect of **pollutants**.
  - 4.4.2. **Pollution condition** means the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** into or upon real or personal property, land, the atmosphere or water of any description no matter where located or how contained, or into any watercourse, drainage or sewage system.

## 11. PENAL DEFENCE COSTS COVERAGE

### 11.1. INSURING AGREEMENT

We will pay for **legal costs** incurred by the Insured in the course of your **business operations**, in the defence of charges of a penal nature against the Insured under any law, provided that:

- 11.1.1. The Insured involved notifies us while this Policy is in force that they are the object of an inquiry or a charge has been laid against them or that they are compelled to stand trial or appear before a court of law; and
- 11.1.2. The Insured involved is not, in the end result, found guilty of an offence in respect of the charges laid or that such charges are withdrawn.

### 11.2. LIMITS OF INSURANCE

In addition to the provisions contained in the Limits of Insurance section shown in this Form, the following provisions apply to this Extension of Coverage:

- 11.2.1. The Per Offence Limit of Insurance shown in the Summary of Coverages in this Form is the most we will pay for the sum of **legal costs** under this Extension of Coverage arising out of any one offence. More than one offence involving the same charges or interrelated charges will be deemed to constitute a single offence.
- 11.2.2. The Aggregate Limit of Insurance shown in the Summary of Coverages in this Form is the most we will pay under this Extension of Coverage during the **policy period** for the sum of **legal costs** arising out of all offences.
- 11.2.3. The Per Offence Limit of Insurance applicable to this Extension of Coverage is a part of, and not in addition to, the Aggregate Limit of Insurance applicable to this Extension of Coverage.

### 11.3. EXCLUSION

This insurance does not apply to **legal costs** incurred in connection with any fact or circumstance known to the Insured prior to the effective date of this Policy (or of the initial policy issued by us if this Policy forms part of a continuous series of renewals).

### 11.4. SPECIAL CONDITIONS

In the event a single offence includes more than one charge, the reimbursement shall be prorated in the proportion that the number of charges for which you are found not guilty or which are withdrawn bears to the total number of charges.

### 11.5. DEFINITIONS

For the purposes of this Extension of Coverage:

- 11.5.1. **Business operations** means your operations described in the Declaration Page(s).
- 11.5.2. **Legal costs** means:
  - 11.5.2.1. Attorneys' fees, subject to a maximum hourly rate of \$250;
  - 11.5.2.2. Extrajudicial costs; and
  - 11.5.2.3. Experts' fees, subject to a maximum of \$5,000.

## 12. PRODUCT RECALL EXPENSES

### 12.1. INSURING AGREEMENT

We will pay recall **expenses** if **your product** is withdrawn because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it, provided that:

- 12.1.1. The recall takes place in the **coverage territory** and begins during the **policy period**;
- 12.1.2. The **expenses** are incurred and reported to us within twelve (12) months of the date on which the recall began;
- 12.1.3. The recall is necessary to avoid **bodily injury, property damage, personal injury or advertising injury**; and
- 12.1.4. The recall has been ordered by either the manufacturer, a government entity, a legislative authority or arises out of a determination by you.

### 12.2. DEDUCTIBLE

Our obligation under this Extension of Coverage to pay **expenses** applies only to the amount of product recall **expenses** in excess of the \$1,000 deductible applicable to this Extension of Coverage.

### 12.3. EXCLUSIONS

**This insurance does not apply to expenses incurred for the recall or withdrawal of your product by reason of:**

- 12.3.1. Loss of customer confidence or any **expenses** incurred to regain customer confidence or other consequential loss;
- 12.3.2. Prior knowledge of the Insured at the inception of this Policy of any defect, deficiency, inadequacy or dangerous condition in **your product** known to you when such products were still in your possession, or the cost of rectifying said defect, deficiency, inadequacy or dangerous condition in **your product**.

### 12.4. SPECIAL CONDITIONS

12.4.1. You must, as soon as a recall is believed to be necessary or notified that **your product** must be withdrawn:

12.4.1.1. Notify us in writing immediately without delay; and

12.4.1.2. Assist us and any experts appointed by us in the investigation of any matter relative to the Insuring Agreement and Exclusions of this Extension of Coverage.

### 12.5. DEFINITIONS

For the purposes of this Extension of Coverage:

12.5.1. **Expenses** means the reasonable and necessary costs incurred:

- 12.5.1.1. For communications, including radio and television announcements and printed advertisements;
- 12.5.1.2. For telephone communications, stationery, envelopes, producing and printing announcements and postage;
- 12.5.1.3. For rental expenses for the shipping of, and additional warehouse space for, **your product**;
- 12.5.1.4. For cost to hire extra personnel or specialists on a temporary basis;
- 12.5.1.5. For overtime pay for regular **employees**;
- 12.5.1.6. By **employees**, including transportation or accommodation;
- 12.5.1.7. For reasonable legal fees incurred by you;
- 12.5.1.8. For destruction of **your product**, if such action is deemed to be absolutely essential; and
- 12.5.1.9. For inspection of the recalled product on the customer's premises or at the nearest appropriate place by you or on your behalf; but only when such **expenses** are incurred exclusively for the purpose of recalling or withdrawing **your product**.

## 13. TRADEMARK INFRINGEMENT

### 13.1. INSURING AGREEMENT

13.1.1. Notwithstanding any contrary provision contained under the Commercial General Liability Max form, we will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **trademark infringement** to which this insurance applies.

13.1.2. This Extension of Coverage applies to **trademark infringement** caused by an offence committed in your **advertisement** but only if the offence was committed in the **coverage territory** during the **policy period**. We will consider any series of related or similar offences to be one offence.

### 13.2. ADDITIONAL EXCLUSIONS

**This insurance does not apply to trademark infringement:**

- 13.2.1. Arising out of publication of material, if done by or at the direction of the Insured with knowledge of its falsity;
- 13.2.2. Arising out of publication of material whose first publication took place before the beginning of the **policy period**;
- 13.2.3. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the Insured;
- 13.2.4. For which the Insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for **compensatory damages** that the Insured would have in the absence of the contract or agreement;
- 13.2.5. Arising out of a failure of performance of contract, but this exclusion does not apply to the unauthorized appropriation of ideas based upon alleged breach of implied contract;
- 13.2.6. Arising out of an infringement of patent by use thereof on or in connection with goods, products, or services sold, offered for sale or advertised;
- 13.2.7. Arising out of an incorrect description or mistake in advertised price of goods, products or services sold, offered for sale or advertised; or
- 13.2.8. Arising out of any offence committed by any Insured whose business is:
  - 13.2.8.1. Advertising, broadcasting, publishing or telecasting;
  - 13.2.8.2. Designing or determining content of web-sites for others; or
  - 13.2.8.3. An Internet search, access, content or service provider.

However, this exclusion 13.2.8. does not apply to:

- 13.2.8.4. False arrest, detention or imprisonment;
- 13.2.8.5. Malicious prosecution;
- 13.2.8.6. 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;

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

13.3. DEFINITIONS

For the purposes of this Extension of Coverage:

**Trademark infringement** means injury other than **bodily injury, property damage, personal injury** or **advertising injury** arising out of one or more of the following offences committed in the course of advertising of your goods, products or services:

Infringement of:

- 13.3.1. Trademark;
- 13.3.2. Service mark;
- 13.3.3. Trade secret;
- 13.3.4. Trade name;
- 13.3.5. Trade dress;
- 13.3.6. Title;
- 13.3.7. Slogan; or
- 13.3.8. Internet domain name.

**All other terms and conditions of the Policy remain unchanged.**

## GENERAL DEDUCTIBLE

In the event of a claim under any Broad Form or Named Perils Form in this policy caused by an insured peril, the Insurer shall be liable only for the amount by which the adjusted claim exceeds the deductible amount shown on the "Declaration Page(s)" for that Form.

Should any occurrence give rise to the application of more than one deductible amount for any one "premises", only the highest deductible will be applied.

The Insured expressly warrants that it will itself bear any loss to the extent of any applicable deductible amount, and warrants that it will not contract for insurance in respect of such deductible amount.

The term "adjusted claim" as used in this endorsement means the amount which would be payable to the Insured under the applicable item(s) of insurance provided by this policy in respect of direct loss or damage arising out of one occurrence before the application of any deductible amount.

This deductible does not operate to reduce any applicable limits of liability.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

## **SIXTY DAYS NOTICE OF CANCELLATION/TERMINATION**

Except for cancellations for non-payment of premium, the number of days notice by the Insurer as stated in the Notice of Cancellation or Termination clause(s) contained in this policy is amended to the number of days as shown above.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

# STANDARD MORTGAGE CLAUSE

It is hereby provided and agreed that:

1. **BREACH OF CONDITIONS BY MORTGAGOR OWNER OR OCCUPANT** - The 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.

2. **RIGHT OF SUBROGATION** - Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that - as to the Mortgagor or Owner - no liability therefore existed, it 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.
3. **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.
4. **WHO MAY GIVE PROOF OF LOSS** - In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
5. **TERMINATION** - The term of this Mortgage Clause coincides with the term of the policy; 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.
6. **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 THE 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.

## Cancellation Agreement

This is to certify that the undersigned insured and other interested parties, where applicable, named in this policy acknowledge the termination of the insurance coverage provided

under this policy effective \_\_\_\_\_ 20 \_\_\_\_ at 12:01 a.m. Standard Time at the postal address of the named insured.

Signature of Insured: \_\_\_\_\_

# COMMERCIAL POLICY CONDITIONS AND STATUTORY CONDITIONS

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Throughout this Form the word "Insured" refers to the Named Insured shown in the Declaration Page(s). The word "Insurer" refers to the company providing this insurance.

The following Statutory Conditions and supplementary Additional Conditions apply to all coverages insured by this Policy (including fire), except where indicated.

**Other words and phrases that appear in bold font have special meaning, as defined either in the Definitions Section of this Form or in the Liability or Property Coverage forms attached to this Policy.**

For British Columbia, Alberta and Manitoba, Statutory Conditions 1., 6., 7., 8., 9., 10., 11., 12. and 13. apply only to property insurance.

For Northwest Territories, Nunavut, Saskatchewan and Yukon, Statutory Conditions 2., 6., 7., 8., 9., 10., 11., 12., 13. and 14. apply only to property insurance.

## SECTION I - STATUTORY CONDITIONS (BRITISH COLUMBIA, ALBERTA AND 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

The Insurer is not liable for loss or damage to property owned by a person other than the Insured unless:

- 2.1. otherwise specifically stated in the contract; or
- 2.2. 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

- 4.1. The Insured must promptly give notice in writing to the Insurer or its agent of a change that is:
  - 4.1.1. material to the risk; and
  - 4.1.2. within the control and knowledge of the Insured.
- 4.2. If an Insurer or its agent is not promptly notified of a change under sub-paragraph 4.1. of this condition, the contract is void as to the part affected by the change.
- 4.3. If an Insurer or its agent is notified of a change under sub-paragraph 4.1. of this condition, the Insurer may:
  - 4.3.1. terminate the contract in accordance with Statutory Condition 5; or
  - 4.3.2. notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within fifteen (15) days after receipt of the notice, pay to the Insurer an additional premium specified in the notice.
- 4.4. If the Insured fails to pay an additional premium when required to do so under sub-paragraph 4.3.2. of this condition, the contract is terminated at that time and Statutory Condition 5.2.1. applies in respect of the unearned portion of the premium.

### 5. TERMINATION OF INSURANCE

- 5.1. The contract may be terminated
  - 5.1.1. by the Insurer giving to the Insured fifteen (15) days' notice of termination by registered mail or 5 days' written notice of termination personally delivered; or
  - 5.1.2. by the Insured at any time on request.
- 5.2. If the contract is terminated by the Insurer,
  - 5.2.1. 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
  - 5.2.2. 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.
- 5.3. 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.
- 5.4. The fifteen (15) day period referred to in sub-paragraph 5.1.1. 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

- 6.1. 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,
  - 6.1.1. immediately give notice in writing to the Insurer;
  - 6.1.2. 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;
    - 6.1.2.1. 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;
    - 6.1.2.2. 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;
    - 6.1.2.3. stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured;
    - 6.1.2.4. stating the amount of other insurances and the names of other Insurers;
    - 6.1.2.5. 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;
    - 6.1.2.6. stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued; and
    - 6.1.2.7. stating the place where the insured property was at the time of loss.
  - 6.1.3. if required by the Insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property; and
  - 6.1.4. if required by the Insurer and if practicable;
    - 6.1.4.1. produce books of account and inventory lists;
    - 6.1.4.2. furnish invoices and other vouchers verified by statutory declaration; and

6.1.4.3. furnish a copy of the written portion of any other relevant contract.

6.2. The evidence given, produced or furnished under sub-paragraph 6.1.3. and 6.1.4. of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

#### 7. FRAUD

Any fraud or willfully 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 6.1.1. may be given and the proof of loss under Statutory Condition 6.1.2. may be made:

- 8.1. by the agent of the Insured; if
  - 8.1.1. the Insured is absent or unable to give the notice or make the proof; and
  - 8.1.2. the absence or inability is satisfactorily accounted for; or
- 8.2. 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 8.1. of this condition.

#### 9. 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.
- 9.2. The Insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the Insured under sub-paragraph 9.1. of this condition.

#### 10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the Insurer has:

- 10.1. 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
- 10.2. 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
  - 10.2.1. without the Insured's consent, the Insurer is not entitled to the control or possession of the insured property; and
  - 10.2.2. without the Insurer's consent, there can be no abandonment to it of the insured property.

#### 11. 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.
- 11.2. There is no right to a dispute resolution process under this condition until:
  - 11.2.1. a specific demand is made for it in writing; and
  - 11.2.2. 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

- 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.
- 13.2. If the Insurer gives notice under sub-paragraph 13.1. 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

- 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.
- 14.2. 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 - STATUTORY CONDITIONS (NORTHWEST TERRITORIES, NUNAVUT, SASKATCHEWAN AND YUKON)

#### 1. MISREPRESENTATION

If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

#### 2. PROPERTY OF OTHERS

Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.

#### 3. CHANGE OF INTEREST

The Insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy Act*\* or change of title by succession, by operation of law, or by death.

\* *Bankruptcy and Insolvency Act* (Canada) applies to Saskatchewan.

#### 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 he desires the contract to continue in force, he must, within fifteen (15) days of the receipt of the notice, pay to the Insurer an additional premium, and in default of such a payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

#### 5. TERMINATION

- 5.1. This contract may be terminated:
  - 5.1.1. by the Insurer giving to the Insured fifteen (15) days' notice of termination by registered mail or five (5) days' written notice of termination personally delivered;
  - 5.1.2. by the Insured at any time on request.

- 5.2. Where this contract is terminated by the Insurer:
- 5.2.1. the Insurer shall refund the excess of premium actually paid by the Insured over 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
- 5.2.2. 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.
- 5.3. Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable, the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- 5.4. The refund may be made by money, postal or express company money order or cheque payable at par.
- 5.5. The fifteen (15) days mentioned in clause 5.1.1. of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

## 6. REQUIREMENTS AFTER LOSS

- 6.1. 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:
- 6.1.1. forthwith give notice thereof in writing to the Insurer;
- 6.1.2. deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration:
- 6.1.2.1. 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;
- 6.1.2.2. 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;
- 6.1.2.3. stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured;
- 6.1.2.4. showing the amount of other insurances and the names of other Insurers;
- 6.1.2.5. 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;
- 6.1.2.6. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
- 6.1.2.7. showing the place where the property insured was at the time of loss;
- 6.1.3. if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
- 6.1.4. 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.
- 6.2. The evidence furnished under clauses 6.1.3. and 6.1.4. of sub-paragraph 6.1. of the condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

## 7. FRAUD

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

## 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

- 9.1. The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
- 9.2. The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph 9.1. 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 60 days after completion of the proof of loss, unless the contract provides for a shorter period.

## 13. REPLACEMENT

- 13.1. The Insurer, instead of making payment, may repair, rebuild or replace the property damaged or lost, giving written notice of its intention so to do within thirty (30) days after receipt of the proofs of loss.
- 13.2. In the event the Insurer shall commence to so repair, rebuild, or replace the property within 45 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 any claim under or by virtue of this contract is absolutely barred unless commenced within one year\*\*\* next after the loss or damage occurs.

\*\* 14. Action is not applicable in Saskatchewan

\*\*\* Two years in Yukon Territory.

## 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 by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression **registered** means registered in or outside Canada.

# SECTION III - ADDITIONAL CONDITIONS (APPLICABLE ONLY TO PROPERTY INSURANCE UNLESS NOTED OTHERWISE)

## 1. NOTICE TO AUTHORITIES

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

## 2. NO BENEFIT TO BAILEE

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

## 3. PAIR AND SET

In the case of loss of or damage to any article(s), whether scheduled or unscheduled, which is (are) a part of a set, the measure of loss of or damage to such article(s) 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. 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.

## 5. 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.

## 6. BASIS OF 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.

## 7. SUBROGATION (ALL LINES OF INSURANCE)

The Insurer, upon making any payment or assuming liability for payment under this Policy, shall be subrogated to all rights of recovery of the Insured against others, and may bring action to enforce such rights. All rights of subrogation are waived against any corporation, firm, individual or other interest with respect to which insurance is provided by this Policy. The Insurer shall have the right to control such subrogation.

Where the net amount recovered, after deducting the costs of recovery, is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.

Any release from liability entered into by the Insured prior to loss shall not affect the right of the Insured to recover.

**Refer to Special Provisions applying to Condominium Corporations which follows.**

## 8. ACTION (EXCLUDING NORTHWEST TERRITORIES, NUNAVUT, AND YUKON)

An action or proceeding against an Insurer in relation to a contract must be commenced, where required under legislation:

- 8.1. in the case of loss or damage to insured property, not later than two years after the date the Insured knew or ought to have known the loss or damage occurred; and
- 8.2. in any other case, not later than two years after the date the cause of action against the Insurer arose.

## 9. BREACH OF CONDITIONS

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

**Refer to Special Provision applying to Condominium Corporations which follows.**

## 10. OTHER INSURANCE

The Insurer is not liable:

- 10.1. for more than the portion of any loss, destruction or damage covered by this Policy which the applicable limit of this Policy bears to the total amount of insurance covering against the peril of fire irrespective of whether or not such other insurance gives insurance in respect of the perils covered by this Policy, whether by endorsement thereto or otherwise;
- 10.2. where such other insurance does not insure against loss, destruction or damage by fire, for more than the excess (if any) of any loss or damage over the applicable limit of any other insurance which would attach if this insurance had not been effected.

**Refer to Special Provision applying to Condominium Corporations which follows.**

## 11. PROPERTY OF OTHERS

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

## 12. REINSTATEMENT

With the exception of losses that are subject to annual aggregate limits, any loss under this Form shall not reduce the limits of insurance.

## 13. VERIFICATION OF VALUES

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

## 14. EXAMINATION UNDER OATH

In the event of loss or damage to the insured property, the Insured shall submit to examination under oath or warrant to the truth and shall produce all documents required by the Insurer and shall permit copies thereof to be made.

## 15. CANADIAN CURRENCY CLAUSE (ALL LINES OF INSURANCE)

All limits of insurance, premiums and other amounts as expressed in this Policy are in Canadian currency.

## SECTION IV - SPECIAL PROVISIONS APPLICABLE TO CONDOMINIUMS

### 1. SUBROGATION

This clause replaces **Additional Conditions 7.** above.

Subrogation shall be in accordance with the provisions of the provincial or territorial legislation under which the **Condominium Corporation** is constituted. If the legislation has no such provisions, subrogation is as stated in this clause.

The Insurer, upon making any payment or assuming liability for payment under this Form, shall be subrogated to all rights of recovery of the Insured against others and may bring action in the name of the Insured to enforce such rights. The Insurer shall have the right to control such subrogation.

Where the net amount recovered, after deducting the costs of recovery, is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.

Except with respect to criminal or intentional acts or vehicle impact, the Insurer agrees with the Insured to waive its right of subrogation as to any claim against:

- 1.1. the **Condominium Corporation**, its Directors, Property Managers, agents and employees; and
- 1.2. the owner of a **unit** and, if residents of a the household of the owner of a **unit**, his or her **spouse**, the relatives of either and any other person under the age of 21 in the care of an owner of a **unit** or his or her **spouse**.

Independent contractors shall not be considered agents or employees of the **Condominium Corporation**, its Directors, Property Managers, or of the **unit** owners.

Any release from liability entered into by the Insured prior to loss does not affect the right of the Insured to recover.

### 2. LOSS PAYABLE

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

### 3. BREACH OF CONDITION

This clause replaces **Additional Conditions 9.** above:

If the **Condominium Corporation** does not comply with a condition of this insurance, any claim for subsequent loss or damage is not recoverable. The Insurer will not deny a claim for this reason if the **Condominium Corporation** proves that the non-compliance neither caused nor worsened the loss or damage.

Coverage will not be affected:

- 3.1. if the **Condominium Corporation** fails to comply with a condition in part of the **premises** over which the **Condominium Corporation** has no control; or
- 3.2. if the breach is committed by an owner of a **unit** or occupant without the knowledge or consent of the **Condominium Corporation**.

### 4. WAIVER OF INSURER'S OPTION TO REPAIR

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

### 5. TERMINATION

In those jurisdictions where provincial or territorial legislation under which the **Condominium Corporation** is constituted prescribes different policy termination conditions from those contained in the Statutory Conditions or Special Provisions of this Policy, such prescribed provincial or territorial conditions shall apply.

### 6. OTHER INSURANCE

This clause replaces **Additional Conditions 10.** above:

If at the time of the loss there is other insurance in the name of the **Condominium Corporation** insuring the property described in this Form (whether collectible or not), the Insurer shall be liable for no greater proportion of any loss than the amount of insurance under this Form bears to the whole amount of insurance covering such property or as in accordance with provincial or territorial legislation applicable to Other Insurance.

## SECTION V - GENERAL LIABILITY CONDITIONS

If any portion of these Conditions is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

### 1. NOTICE OF CLAIM OR SUIT

Upon the happening of an accident or **occurrence** that may give rise to a claim under this Policy, the Insured shall give notice of such accident or **occurrence** to the Insurer as soon as practicable after notice has been received by an officer of the Insured.

Such notice shall contain all available information pertaining to such accident or **occurrence** that is obtainable at the time.

If a claim is made or suit is brought against the Insured, the Insured shall immediately forward to the Insurer every demand, notice, summons or other process received by the Insured or the Insured's representatives.

### 2. ASSISTANCE AND COOPERATION

The Insured shall cooperate with the Insurer and, upon the Insurer's request, assist in making settlements in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured because of injury or damage with respect to which insurance is afforded under this Policy; and the Insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

### 3. ASSUMPTION OF LIABILITY

The Insured shall not, except at its own cost, voluntarily make any payment, assume any obligation or incur any expenses other than for first aid to others at the time of accident.

### 4. ACTION AGAINST INSURER

No action shall lie against the Insurer unless, as a condition precedent, to such action there shall have been full compliance with all of the terms of this Policy. In addition, no action shall lie against the Insurer until the amount of the Insured's obligation to pay shall have been finally determined either by judgement against the Insured after actual trial, or by written agreement of the Insured, the claimant and the Insurer. The Insurer shall not be liable for **compensatory damages** that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance.

Unless another time limit is specified to the contrary in any Canadian province's Insurance Act governing this Policy, every action or proceeding against the Insurer shall be commenced within one year of the date of such judgement or written agreement and not afterwards. The sole venue for coverage legal action related to this Policy shall be a Superior Court in Canada.

Nothing contained in this Policy shall give any person or organization any right to join the Insurer as a co-defendant in any action against the Insured to determine the Insured's liability.

Bankruptcy or insolvency of the Insured or of the Insured's estate shall not relieve the Insurer of any of its obligations under this Policy.

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

## 5. PREMIUM AND ADJUSTMENT OF PREMIUMS

- 5.1. Unless indicated as "Flat rate premium", the premium stated in the Declaration Page(s) for this Form is an estimated deposit premium only. Adjustment of premium shall be made at least annually and for this purpose the premium basis and rates shown in the Declaration Page(s) for this Form as "Basis of premium adjustment" shall be used in ascertaining the earned premium.
- 5.2. In the case of any hazards existing and covered under coverage rider(s) attached but not specified in the Declaration Page(s), or in any endorsement, the earned premium shall be computed in accordance with the Insurer's rules, rates, rating plans and minimum premiums applicable to such hazards.
- 5.3. Subject to the retention by the Insurer of the amount stated in the Declaration Page(s) for this Form as "Minimum annual premium", if the earned premium for this Policy thus computed exceeds the estimated deposit premium paid, the Insured shall pay such excess to the Insurer; on the other hand, if the estimated deposit premium exceeds the earned premium, the Insurer shall return to the Named Insured such excess.
- 5.4. The Named Insured shall maintain for each hazard insured against, a record of the information necessary for premium computation on the basis stated and shall submit such record to the Insurer at the end of the Policy Period and at such other times during the Policy Period as the Insurer may direct.

## 6. INSPECTION AND AUDIT

- 6.1. The Insurer shall be permitted, but is not obligated, to inspect the Insured's property and operations. Neither the Insurer's right to inspect nor reporting based on such inspections shall constitute an undertaking on behalf of or for the benefit of the Insured or others to determine or warrant that such property or operations are safe.
- 6.2. The Insurer may examine and audit the Insured's books and records at any time during the Policy Period and extensions of the Policy Period and within three years after the final termination of this Policy, as far as they relate to the subject matter of this insurance.

## 7. OTHER INSURANCE

The Insurer shall not be liable if at the time of an accident or **occurrence** covered by this Policy there is any other insurance that would have attached if this insurance had not been effected, and this insurance shall specifically exclude losses covered by such other valid insurance. This insurance shall apply only as excess insurance and in no event as contributing insurance and then only after all such other insurance has been exhausted.

The Insurer acknowledges the existence of any Policies arranged to apply in excess of the insurance provided by this Policy and it is agreed that notwithstanding anything contained in this Condition the insurance provided by such excess Policies shall be considered as excess and non-contributing insurance insofar as the insurance provided under this Policy is concerned and shall be held to attach and cover only after the insurance under this Policy has been exhausted.

## 8. SUBROGATION

### 8.1. Applicable to underlying insurance

In the event of any payment under this Policy, the Insurer shall be subrogated to the extent of such payment to all the Insured's rights of recovery against any third party except where the amount of settlement exceeds the amount provided in aggregate by this Policy and any other valid and collectible insurance in which case the Insured shall be entitled to all recovery until such excess has been made good to the Insured. The Insured shall execute all papers required and shall do everything necessary within his power to secure such rights.

### 8.2. Applicable to umbrella insurance

All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this insurance shall be applied as if recovered or received prior to such settlement. All necessary adjustments shall be made between the Insured and the Insurer, provided always that nothing in this clause shall be construed to mean that losses under this insurance are not recoverable until the Insured's **ultimate net loss** has been finally ascertained. In as much as this Policy is umbrella-type excess coverage, the Insured's right of recovery against any person or other entity cannot always be exclusively subrogated to the Insurer. It is therefore understood and agreed that, in case of any payment under this Policy, the Insurer shall act in concert with all other interests concerned (including the Insured) in the exercise of such rights of recovery. The apportioning of any amounts that may be so recovered shall follow the principle that any other insurer or the Insured that shall have paid an amount over and above any payment under this Policy shall first be reimbursed up to the amount paid by them. The Insurer shall then be reimbursed of out of any balance then remaining up to the amount paid under this Policy. Lastly, the interests of any insurer and the Insured of which this coverage is excess are entitled to claim the residue, if any. Expense necessary to the recovery of any such amounts shall be apportioned between the insurers and the Insured concerned, in the ratio of their respective recoveries as finally settled.

## 9. CANCELLATION - TERMINATION

- 9.1. This Policy may be cancelled at any time at the request of the Named Insured, and the Insurer shall, upon surrender of the Policy, refund the excess of paid premium above the earned premium computed in accordance with the customary short rate table and procedure for the time the Policy has been in force.
- 9.2. This Policy may be cancelled or terminated:
  - 9.2.1. In the event of cancellation for non-payment of premium, this Policy may be cancelled by the Insurer giving to the Insured fifteen (15) days notice in writing of cancellation by registered post, or five (5) days notice in writing of cancellation personally delivered;
  - 9.2.2. In the event of cancellation for any reason other than non-payment of premium, at any time by the Insurer giving to the Named Insured thirty (30) days notice in writing of cancellation by registered post, and refunding the excess of paid premium beyond the earned premium computed pro rata for the expired time. Repayment of excess premiums may be made by money, post office order, postal note or cheque. Such payment shall accompany the notice;
- 9.3. This Policy may be cancelled or terminated by the Named Insured at any time on written request.
- 9.4. Where the Policy is terminated by the Insurer:
  - 9.4.1. and where the premium is developed on other than an estimated basis, the Insurer will refund the excess of the paid premium for the time the Policy has been in force, calculated pro rata; or
  - 9.4.2. where the premium is developed on an estimated basis, the Insurer will refund the excess of the premium above the premium earned, when determined.
- 9.5. Where the Policy is terminated by the Named Insured:
  - 9.5.1. and where the premium is developed on other than an estimated basis, the Insurer will refund the excess of the paid premium above the short rate premium for the time the Policy has been in force calculated in accordance with the short rate premium table in use by the Insurer, subject to the retention of any minimum retained premium, provided by the Policy; or
  - 9.5.2. where the premium is developed on an estimated basis, the Insurer will refund the excess of the paid premium above the premium earned, when determined, subject to the retention of any minimum retained premium, provided by the Policy.
- 9.6. Refund of premium may be made by money, postal or express company money order or by cheque payable at par.
- 9.7. The thirty (30) days and fifteen (15) days notice of cancellation by registered post referred to in sub-paragraphs 9.2.1. and 9.2.2. commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
- 9.8. Premium adjustment may be made at the time cancellation is effected and if not then made shall be made as soon as practicable after cancellation becomes effective but payment or tender of unearned premium is not a condition of cancellation.
- 9.9. In this condition the expression "paid premium" means premium actually paid by the Insured to the Insurer and does not include any premium or part thereof paid to the Insurer by an Agent unless actually paid to the Agent by the Insured.

#### 10. WAIVER

No notice to any Agent or knowledge possessed by any Agent or by any other person shall be held to effect a waiver or change in any part of this Policy. The terms of this Policy shall not be waived or changed except by endorsement issued to form a part of this Policy.

#### 11. ASSIGNMENT

Assignment of interest under this Policy shall not bind the Insurer until their consent is endorsed on this Policy, except through change of title by succession, death or proceedings under any bankruptcy act.

#### 12. SPECIAL STATUTES

If any condition of this Policy, relating to limitation of time for notice of accident or for instituting legal proceedings, is at variance with any specific statutory provision in the province in which the accident occurs such statutory provision shall be substituted for such condition.

#### 13. CROSS LIABILITY AND SEPARATION OF INSUREDS

The insurance as is afforded by this Policy shall apply in respect to any claim or **action** brought against any one Insured by any other Insured. The coverage shall apply in the same manner and to the same extent as though a separate Policy had been issued to each Insured.

The inclusion under this Policy of more than one Insured shall not operate to increase the Limit of Liability under this Policy.

Any breach of a condition of this Policy by any Insured shall not affect the protection given by this Policy to any other Insured who is not, or was not, a party to such breach of condition.

#### 14. DEDUCTIBLE CLAUSE

##### COVERAGE A

The Insured shall pay the amount stated in the Declaration Page(s) for this Form as Deductible or Deductible - U.S. Claims for each and every claim related to **property damage** under paragraph 1. **INSURING AGREEMENT of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** of the Commercial General Liability Max Form. If more than one claim arises or results from a single **occurrence**, the deductible amount shall only apply once.

#### 15. REIMBURSEMENT CLAUSE

Applicable to COVERAGE A and to **personal injury** under COVERAGE B

In the event a claim payment is made by the Insurer, the Insured shall reimburse the Insurer with respect to all claims, legal fees and adjusting expenses combined in any one accident or **occurrence**, up to the Deductible amount stated in the Declaration Page(s) for this Form as **Reimbursement or Reimbursement - US Claims**, and the Insurer shall only be liable for loss, damage or expense in excess of that amount.

The terms of the Policy, including those with respect to notice of accident or **occurrence** and the Insurer's right to investigate, negotiate and settle any claim or suit, apply irrespective of the application of the reimbursement.

## SECTION VI - DEFINITIONS

1. **Condominium Corporation** means a Corporation constituted under provincial or territorial legislation relating to condominiums or co-ownership by declaration. It refers to a strata corporation in British Columbia.
2. **Premises** means:
  - 2.1. the entire area within the property lines at the location(s) described in the Declaration Page(s) or at any newly acquired location, including:
    - 2.1.1. areas under adjoining sidewalks and driveways;
    - 2.1.2. in or on vehicles within 100 metres (328 feet) of such property lines described in 2.1.;
  - 2.2. in the open within 305 metres (1000 feet) of such property lines described in 2.1.
3. **Spouse** means a person:
  - 3.1. who is married to or has entered a civil union with another person and is living with that person;
  - 3.2. who has been living with another person of the opposite or of the same sex and has been publicly represented as that person's spouse for at least three years: or in the following cases, for at least one year if:
    - 3.2.1. a child has been born or is to be born of their union;
    - 3.2.2. they have adopted a child together.
4. **Unit** means the unit as defined in the declaration, description or bylaws of the **Condominium Corporation** or provincial or territorial legislation relating to condominiums or divided co-ownership. It refers to a strata lot in British Columbia.

## SECTION VII - ADDITIONAL CONDITIONS (APPLICABLE ONLY TO BRITISH COLUMBIA, ALBERTA, MANITOBA, NORTHWEST TERRITORIES, NUNAVUT, SASKATCHEWAN AND YUKON)

#### Property Insured on a Blanket Basis

The following additional condition applies to the Building and/or Contents - Broad Form (BF02):

Item 1. of the BF02 Indemnity Agreement is deleted and is replaced by the following:

1. In the event that any of the insured property is lost or damaged during the Policy Period by an insured peril, the Insurer will indemnify the Insured for the actual amount of direct loss or damage so caused, to an amount not exceeding whichever is the least of:
  - 1.1. the value of the lost or damaged property as determined in SPECIAL PROVISIONS- Item 5. - Basis of Valuation, or if the Declaration Page(s) specifies that this Policy is endorsed with a Form that contains a Replacement Cost clause applicable to this Form, by the valuation determined in the replacement cost clause;
  - 1.2. the interest of the Insured in the property;
  - 1.3. the amount of insurance specified on the Declaration Page(s) for the lost or damaged property;
  - 1.4. in the case of property insured on a blanket basis, 115% of the total value(s) for each insured location subject to the schedule of property declared in a current Statement of Values that is filed with the Insurer within 90 days of the most recent renewal preceding insured loss or damage; less applicable deductibles.

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

## SECTION VIII - SHORT RATE CANCELLATION TABLE

As per Statutory Condition 5, if this Policy is cancelled by the Insured, it will be subject to a short-rate cancellation formula as outlined in the following table. The minimum retained premium is the amount that is stated in the Declaration Page(s) for all parts of the Policy.

Days Policy in Force	Returned Premium Factor	Days Policy in Force	Returned Premium Factor	Days Policy in Force	Returned Premium Factor	Days Policy in Force	Returned Premium Factor	Days Policy in Force	Returned Premium Factor	Days Policy in Force	Returned Premium Factor	Days Policy in Force	Returned Premium Factor
0	0.925	53	0.787	106	0.649	159	0.511	212	0.373	265	0.235	318	0.097
1	0.922	54	0.784	107	0.647	160	0.509	213	0.371	266	0.233	319	0.095
2	0.920	55	0.782	108	0.644	161	0.506	214	0.368	267	0.230	320	0.092
3	0.917	56	0.779	109	0.641	162	0.503	215	0.365	268	0.227	321	0.090
4	0.915	57	0.777	110	0.639	163	0.501	216	0.363	269	0.225	322	0.087
5	0.912	58	0.774	111	0.636	164	0.498	217	0.360	270	0.222	323	0.084
6	0.909	59	0.771	112	0.633	165	0.496	218	0.358	271	0.220	324	0.082
7	0.907	60	0.769	113	0.631	166	0.493	219	0.355	272	0.217	325	0.079
8	0.904	61	0.766	114	0.628	167	0.490	220	0.352	273	0.214	326	0.077
9	0.902	62	0.764	115	0.626	168	0.488	221	0.350	274	0.212	327	0.074
10	0.899	63	0.761	116	0.623	169	0.485	222	0.347	275	0.209	328	0.071
11	0.896	64	0.758	117	0.620	170	0.483	223	0.345	276	0.207	329	0.069
12	0.894	65	0.756	118	0.618	171	0.480	224	0.342	277	0.204	330	0.066
13	0.891	66	0.753	119	0.615	172	0.477	225	0.339	278	0.201	331	0.063
14	0.889	67	0.751	120	0.613	173	0.475	226	0.337	279	0.199	332	0.061
15	0.886	68	0.748	121	0.610	174	0.472	227	0.334	280	0.196	333	0.058
16	0.883	69	0.745	122	0.607	175	0.470	228	0.332	281	0.194	334	0.056
17	0.881	70	0.743	123	0.605	176	0.467	229	0.329	282	0.191	335	0.053
18	0.878	71	0.740	124	0.602	177	0.464	230	0.326	283	0.188	336	0.050
19	0.876	72	0.738	125	0.600	178	0.462	231	0.324	284	0.186	337	0.048
20	0.873	73	0.735	126	0.597	179	0.459	232	0.321	285	0.183	338	0.045
21	0.870	74	0.732	127	0.594	180	0.457	233	0.319	286	0.181	339	0.043
22	0.868	75	0.730	128	0.592	181	0.454	234	0.316	287	0.178	340	0.040
23	0.865	76	0.727	129	0.589	182	0.451	235	0.313	288	0.175	341	0.037
24	0.863	77	0.725	130	0.587	183	0.449	236	0.311	289	0.173	342	0.035
25	0.860	78	0.722	131	0.584	184	0.446	237	0.308	290	0.170	343	0.032
26	0.857	79	0.719	132	0.581	185	0.443	238	0.306	291	0.168	344	0.030
27	0.855	80	0.717	133	0.579	186	0.441	239	0.303	292	0.165	345	0.027
28	0.852	81	0.714	134	0.576	187	0.438	240	0.300	293	0.162	346	0.024
29	0.850	82	0.712	135	0.574	188	0.436	241	0.298	294	0.160	347	0.022
30	0.847	83	0.709	136	0.571	189	0.433	242	0.295	295	0.157	348	0.019
31	0.844	84	0.706	137	0.568	190	0.430	243	0.293	296	0.155	349	0.017
32	0.842	85	0.704	138	0.566	191	0.428	244	0.290	297	0.152	350	0.014
33	0.839	86	0.701	139	0.563	192	0.425	245	0.287	298	0.149	351	0.011
34	0.837	87	0.699	140	0.561	193	0.423	246	0.285	299	0.147	352	0.009
35	0.834	88	0.696	141	0.558	194	0.420	247	0.282	300	0.144	353	0.006
36	0.831	89	0.693	142	0.555	195	0.417	248	0.280	301	0.142	354	-
37	0.829	90	0.691	143	0.553	196	0.415	249	0.277	302	0.139	355	-
38	0.826	91	0.688	144	0.550	197	0.412	250	0.274	303	0.136	356	-
39	0.823	92	0.686	145	0.548	198	0.410	251	0.272	304	0.134	357	-
40	0.821	93	0.683	146	0.545	199	0.407	252	0.269	305	0.131	358	-
41	0.818	94	0.680	147	0.542	200	0.404	253	0.267	306	0.129	359	-
42	0.816	95	0.678	148	0.540	201	0.402	254	0.264	307	0.126	360	-
43	0.813	96	0.675	149	0.537	202	0.399	255	0.261	308	0.123	361	-
44	0.810	97	0.673	150	0.535	203	0.397	256	0.259	309	0.121	362	-
45	0.808	98	0.670	151	0.532	204	0.394	257	0.256	310	0.118	363	-
46	0.805	99	0.667	152	0.529	205	0.391	258	0.253	311	0.116	364	-
47	0.803	100	0.665	153	0.527	206	0.389	259	0.251	312	0.113	365	-
48	0.800	101	0.662	154	0.524	207	0.386	260	0.248	313	0.110	366	-
49	0.797	102	0.660	155	0.522	208	0.384	261	0.246	314	0.108	-	-
50	0.795	103	0.657	156	0.519	209	0.381	262	0.243	315	0.105	-	-
51	0.792	104	0.654	157	0.516	210	0.378	263	0.240	316	0.103	-	-
52	0.790	105	0.652	158	0.514	211	0.376	264	0.238	317	0.100	-	-

# DIFFERENCE IN CONDITIONS, DEDUCTIBLE AMOUNTS AND LIMITS OF INSURANCE – LIABILITY

**This Endorsement Changes The Policy. Please Read it Carefully.**

Certain words and phrases that appear in bold have special meaning as defined in the Commercial General Liability Max Form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

**Applicable to Liability Coverage only.**

**This Endorsement supersedes and replaces any other Difference in Conditions endorsement that has been attached to and that has formed part of this Policy.**

1. Except as provided under paragraph 2. below and notwithstanding any contrary provisions in this Policy, the coverage granted by this Policy shall not be more restrictive than the coverage in force at the expiration of the immediately preceding **policy period**, subject to the following conditions:
  - 1.1. **Difference in Coverage:**  
In the event that the coverage provided in the Forms attached to this Policy is more restrictive than the coverage provided in the directly equivalent Forms in force at the expiration of such preceding **policy period**, the latter shall take precedence;
  - 1.2. **Difference in Deductible Amounts**  
If the deductible amount applicable to one of the Forms attached to this Policy is higher than the deductible amount applicable to the directly equivalent Form in force at the expiration of such preceding **policy period**, the latter shall take precedence;
  - 1.3. **Difference in Limits of Insurance**  
In the event a limit of insurance specified for an Extension of coverage included in one of the Forms attached to this Policy is lower than the limit of insurance specified for the directly equivalent Extension of coverage included in the Form in force at the expiration of such preceding **policy period**, the latter shall take precedence;
2. This coverage does not apply to amendments made to this Policy:
  - 2.1. at the request of the Insured;
  - 2.2. that are required by law; or
  - 2.3. for which specific notice has been given to the Insured or broker.
3. This coverage shall be applicable for a period of twenty four (24) consecutive months following the effective date of the first renewal to which this present Endorsement is attached. At expiration of this twenty four (24) month period, this Endorsement shall be null and void.

**All other terms and conditions of the Policy remain unchanged.**

## CRIME COVERAGE

# DIFFERENCE IN CONDITIONS, DEDUCTIBLE AMOUNTS AND AMOUNTS OF INSURANCE – CRIME

**This Endorsement Changes the Policy. Please Read it Carefully.**

**The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.**

This Endorsement is attached to the Crime 1.0 or Crime 2.0 Form and is subject to all terms, conditions, limitations and exclusions of such Form.

**This Endorsement supersedes and replaces any other Difference in Conditions endorsement that has been attached to and that has formed part of this Policy.**

1. Except as provided under paragraph 2. below and notwithstanding any contrary provisions in this Policy, the coverage granted by this Policy shall not be more restrictive than the coverage in force at the expiration of the immediately preceding **policy period**, subject to the following conditions:
  - 1.1. **Difference in Coverage**  
In the event that the coverage provided in the Forms attached to this Policy is more restrictive than the coverage provided in the directly equivalent Forms in force at the expiration of such preceding **policy period**, the latter shall take precedence;
  - 1.2. **Difference in Deductible Amounts**  
If the deductible amount applicable to one of the Forms attached to this Policy is higher than the deductible amount applicable to the directly equivalent Form in force at the expiration of such preceding **policy period**, the latter shall take precedence;
  - 1.3. **Difference in Amounts of Insurance**  
In the event an amount of insurance specified for an Extension of coverage included in one of the Forms attached to this Policy is lower than the amount of insurance specified for the directly equivalent Extension of coverage included in the Form in force at the expiration of such preceding **policy period**, the latter shall take precedence.
2. This coverage does not apply to amendments made to this Policy:
  - 2.1. at the request of the Insured;
  - 2.2. that are required by law; or
  - 2.3. for which specific notice has been given to the Insured or broker.
3. This coverage shall be applicable for a period of twenty-four consecutive months following the effective date of the first renewal to which this present Endorsement is attached. At expiration of this twenty-four-month period, this Endorsement shall be null and void.

**All other terms and conditions of the Policy remain unchanged.**

# CONTRACTUAL LIABILITY ENDORSEMENT (for attachment only to a Non-Owned Automobile Policy)

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases in bold font have special meaning as defined below or in the form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Non-Owned Automobile Policy Form and is subject to all terms, conditions limitation and exclusion of such Form.

In consideration of the premium herein stated, 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 follows:

(c) 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)	Name(s) of other contracting party or parties
All written contracts including any other written agreement assuming the liability of other except: (1) Any contract or agreement assuming the legal liability of the automobile owner; and (2) Any contract or agreement where in the Insured has assumed liability for the sole negligence of the indemnitee	All written contracts including any other written agreement assuming the liability of other except: (1) Any contract or agreement assuming the legal liability of the automobile owner; and (2) Any contract or agreement where in the Insured has assumed liability for the sole negligence of the indemnitee

All other terms and conditions of the Policy remain unchanged.

# LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES ENDORSEMENT (S.E.F.NO.94)

## Applicable to Non-Owned Automobile Liability – S. P. F. No. 6

In consideration of the premium herein stated, the Policy to which this endorsement is attached is extended, subject always to the condition that the Insurer shall be liable under the subsection or subsections as specified in the "Declarations".

### Legal Liability for Damage to Hired Automobiles

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured or assumed by him under any contract or agreement for loss or damage arising from the care, custody or control of "Hired Automobiles" as defined in such policy and resulting from loss or damage thereto, caused solely by:

Subsection 1 – **All Perils** – from all perils;

Subsection 2 – **Collision or Upset** – caused by collision with another object or by upset;

Subsection 3 – **Comprehensive** – from any peril other than by collision with another object or by upset;

The words "another object" as used in this subsection shall be deemed to include (a) a vehicle to which the automobile is attached and (b) the surface of the ground and any other object therein or thereon.

Loss or damage caused by missiles, 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 subsection 3.

Subsection 4 – **Specified Perils** – caused by fire, lightning, theft or attempt thereat, windstorm, earthquake, hail, explosion, riot or civil commotion, falling or forced landing of aircraft or of parts thereof, rising water, or the stranding, sinking, burning, derailment or collision of any conveyance in or upon which the automobile is being transported on land or water.

### Deductible Clause

Each occurrence causing loss or damage covered under any subsection hereof except loss or damage caused by fire or lightning or theft of the entire automobile covered by such subsection shall give rise to a separate claim in respect to which the Insurer's liability shall be limited to the amount of loss or damage in excess of the amount deductible, if any, stated in the applicable subsection hereof.

### Two or More Automobiles

A motor vehicle and one or more trailers or semi-trailers attached thereto shall be held to be separate automobiles with respect to the liability, including the deductible provision, if any, under this Insurance Agreement.

The Insurer shall not be liable:

- (1) for loss or damage to any automobile while personally driven by the Insured if the Insured is an individual; or
- (2) under any subsection hereof for loss or damage
  - (a) to tires or consisting of or caused by mechanism fracture or breakdown of any part of an automobile or by rusting, corrosion, wear and tear, freezing or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by each subsection; or
  - (b) to any automobile while being used without the consent of the owner thereof; or
  - (c) caused directly or indirectly by contamination by radioactive material; or
  - (d) to contents of trailers or to rugs or robes; or
  - (e) to tapes and equipment for use with a tape recorder when detached therefrom; or
  - (f) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by the operation of armed forces while engaged in hostilities whether war be declared or not; or
  - (g) for any amount in excess of the limit stated in the applicable subsection hereof and expenditures provided for in the Additional Agreements of the policy to which this endorsement is attached; or
- (3) under subsections 3 (Comprehensive), 4 (Specified Perils) for a collision loss or damage occurring after theft by any person or persons residing in the same dwelling premises as the Insured, or by any employee of the Insured engaged in the operation, maintenance or repair of the automobile whether the theft occurs during the hours of such service or employment or not unless the policy provides insurance under subsections 1 or 2.

### Additional Agreement

The Insurer further agrees to pay general average, salvage and fire department charges and custom duties of Canada or of the United States of America for which the Insured is legally liable.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

# **S.E.F.NO.99 EXCLUDING LONG TERM LEASED VEHICLE ENDORSEMENT**

**(For attachment only to an S.P.F. No. 6 – Standard Non-Owned Automobile Policy)**

In consideration of the premium for which this policy is issued, it is understood and agreed that Item 3 (Hired Automobiles Defined) of the General Provisions and Definitions of the policy to which this endorsement is attached is hereby amended to read as follows:

The term "Hired Automobiles" as used in this policy means (a) automobiles hired or leased from others with drivers or (b) hired or leased by the Named Insured from others without driver for periods not exceeding 30 days, used under the control of the Insured in the business stated in Item 3 of the application but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

# S.P.F. NO. 6 - STANDARD NON-OWNED AUTOMOBILE LIABILITY POLICY

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

## APPLICATION

**ITEMS**

1. FULL NAME OF THE APPLICANT **SEE POLICY DECLARATIONS**
- POSTAL ADDRESS **SEE POLICY DECLARATIONS**  
(Including County or District)
- Applicant is: **SEE POLICY DECLARATIONS**  
(State whether Individual, Partnership, Corporation, Municipality or Estate)
2. Policy Period 12.01 A.M. STANDARD TIME AT THE APPLICANT'S ADDRESS
- From **SEE POLICY DECLARATIONS** STATED HEREIN AS TO EACH OF SAID DATES
3. THE AUTOMOBILES IN RESPECT OF WHICH INSURANCE IS TO BE PROVIDED ARE THOSE NOT OWNED IN WHOLE OR IN PART BY, NOR LICENSED IN THE NAME OF THE APPLICANT, USED IN THE APPLICANT'S BUSINESS OF:

### AS KNOWN TO THE INSURER

4. The Applicant's Partners, Officers, Employees And Agents As Of The Date Of This Application Are As Follows:  
Partners, Officers And Employees Who Regularly Use Automobiles Not Owned By The Applicant In His Business. All Other Partners, Officers And Employees

LOCATION	CLASS A1 Private Passenger			CLASS A2 Commercial		
	Number	Rate	Premium	Number	Rate	Premium

### AS KNOWN TO THE INSURER

LOCATION	CLASS B			CLASS C		
	Number	Rate	Premium	Number	Rate	Premium

### AS KNOWN TO THE INSURER

5. "HIRED AUTOMOBILES" - THE AUTOMOBILES HIRED BY THE APPLICANT ARE AS FOLLOWS:
- |                    |                        |                                 |                 |
|--------------------|------------------------|---------------------------------|-----------------|
| TYPE OF AUTOMOBILE | ESTIMATED COST OF HIRE | RATES PER \$100 OF COST OF HIRE | ADVANCE PREMIUM |
|--------------------|------------------------|---------------------------------|-----------------|

### COVERED, IF ANY, SUBJECT TO PREMIUM ADJUSTMENT

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

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

TYPE OF AUTOMOBILE & DESCRIPTION OF USE	ESTIMATED CONTRACT COST	RATES PER \$100 OF CONTRACT COST	ADVANCE PREMIUM
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### COVERED, IF ANY, SUBJECT TO PREMIUM ADJUSTMENT

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

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

### INSURING AGREEMENT

### SECTION A THIRD PARTY LIABILITY

PERILS	Legal Liability for Bodily Injury to or Death of any Person or Damage to Property of Others not in the Care, Custody or Control of the Applicant		
LIMIT	<b>\$ IN ACCORDANCE WITH POLICY LIMITS</b>	(Exclusive of Interest and Costs) for loss or damage resulting from Bodily Injury to or the Death of one or more Persons, and for loss or damage to Property, regardless of the number of claims arising from any one Accident.	<b>\$ INCLUDED</b>
Endorsements	<b>\$ IN ACCORDANCE WITH POLICY LIMITS</b>		<b>\$ INCLUDED</b>
MINIMUM RETAINED PREMIUM \$	<b>\$ IN ACCORDANCE WITH POLICY LIMITS</b>	<b>TOTAL PREMIUM</b>	<b>\$ INCLUDED</b>

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

**AS KNOWN TO THE INSURER**

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

INJURY TO PERSONS

DAMAGE TO PROPERTY OF OTHERS

**AS KNOWN TO THE INSURER**

**AS KNOWN TO THE INSURER**

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

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

# INSURING AGREEMENT

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

## SECTION A - THIRD PARTY LIABILITY

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

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

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

- (a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or
- (b) for any liability imposed upon any person insured by this Policy (Not applicable in the Province of Ontario)
  - 1) by any workmen's compensation law; or
  - 2) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or
- (c) for any liability assumed by any person insured by this policy voluntarily under any contract or agreement; or
- (d) for loss or damage to property carried in or upon an automobile personally driven by any person insured by this Policy or to any property owned or rented by, or in the care, custody or control of any such person; or
- (e) for any amount in excess of the limit stated in Item 7 of the application, and expenditures provided for in the Additional Agreements of this Policy; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

## 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 judgement upon that part of the judgement which is within the limits of the Insurer's liability; and
- 4. in the case the injury be to a person, reimburse any person insured by this Policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- 5. be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated in Section A of Item 7 of the application; and
- 6. not set up any defence to a claim that might not be set up if the Policy were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

## AGREEMENTS OF INSURED

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

- (a) by the acceptance of this Policy, constitutes and appoints the Insurer his irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the Insured arising out of the use or operation of an automobile with respect to which insurance is provided hereunder;
- (b) shall reimburse the Insurer, upon demand, in the amount which the Insurer has paid by reason of the provisions of any statute relating to automobile insurance and which the Insurer would not otherwise be liable to pay under this Policy.

## GENERAL PROVISIONS AND DEFINITIONS

### 1. ADDITIONAL INSURED

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

- (a) in the business of the Insured stated in Item 3 of the application, any automobile not owned in whole or in part by or licensed in the name of
  - (i) the Insured, or
  - (ii) such additional Insured person, or
  - (iii) any person or persons residing in the same dwelling premises as the Insured or such additional insured person, or
- (b) any automobile hired or leased in the name of the Insured except an automobile owned in whole or in part or licensed in the name of such additional insured person.

### 2. TERRITORY

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

**3. HIRED AUTOMOBILES DEFINED**

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

**4. AUTOMOBILES OPERATED UNDER CONTRACT DEFINED**

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

**5. TWO OR MORE AUTOMOBILES**

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

**6. PREMIUM ADJUSTMENT**

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

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

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

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

**7. LIMITATION OF ACTIONS**

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.

## **STATUTORY CONDITIONS**

The insurance provided under this Coverage is subject to the "Automobile Statutory Conditions" approved by the Superintendent of insurance for the Province in which this policy is issued and upon request the Company will make available a complete copy of same.

## COMMERCIAL GENERAL LIABILITY COVERAGE

# AMENDED DEDUCTIBLE ENDORSEMENT – BODILY INJURY AND PROPERTY DAMAGE COMBINED

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases in bold font or quotation marks have special meaning as defined below or in the Form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to Commercial General Liability Max Form and is subject to all terms, conditions, limitations and exclusions of such Form:

Sub-paragraph 9.2.1. under **SECTION III – LIMITS OF INSURANCE AND DEDUCTIBLES** in the Commercial General Liability Max form is deleted and replaced by the following:

9.2. The deductible amounts apply as follows:

9.2.1. Coverage A

Under Coverage A: To all **compensatory damages** because of **bodily injury** and **property damage** as the result of any one **occurrence**, regardless of the number of persons or organizations who sustain **compensatory damages** because of that **occurrence**.

All other terms and conditions of the Policy remain unchanged.

# COMMERCIAL GENERAL LIABILITY MAX

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Throughout this Policy the words "you" and "your" refer to the Named Insured shown in the Declaration Page(s), and any other person or organization qualifying as a Named Insured under Paragraph 3. of Section II – Who Is An Insured. The words "we", "us" and "our" refer to the company providing this insurance.

The word "Insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

**Other words and phrases that appear in bold have special meaning. Refer to Section IV – Definitions.**

**The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.**

Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

## SECTION I – COVERAGES

### COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

This insurance applies only when a Limit of Insurance - Each Occurrence is indicated in the Declaration Page(s).

#### 1. INSURING AGREEMENT

1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **bodily injury** or **property damage** to which this insurance applies. We will have the right and duty to defend the Insured against any **action** seeking those **compensatory damages**. However, we will have no duty to defend the Insured against any **action** seeking **compensatory damages** for **bodily injury** or **property damage** to which this insurance does not apply. We may, at our discretion, investigate any **occurrence** and settle any claim or **action** that may result. But:

1.1.1. The amount we will pay for **compensatory damages** is limited as described in Section III – Limits of Insurance and Deductibles; and

1.1.2. Our right and duty to defend ends 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 payments 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.

1.2. This insurance applies to **bodily injury** and **property damage** only if:

1.2.1. The **bodily injury** or **property damage** is caused by an **occurrence** that takes place in the **coverage territory**; and

1.2.2. The **bodily injury** or **property damage** occurs during the **policy period**; and

1.2.3. Prior to the **policy period**, no Insured listed under Paragraph 1. of Section II – Who Is An Insured and no **employee** authorized by you to give or receive notice of an **occurrence** or claim, knew that the **bodily injury** or **property damage** had occurred, in whole or in part. If such a listed Insured or authorized **employee** knew, prior to the **policy period**, that the **bodily injury** or **property damage** occurred, then any continuation, change or resumption of such **bodily injury** or **property damage** during or after the **policy period** will be deemed to have been known prior to the **policy period**.

1.3. **Bodily injury** or **property damage** which occurs during the **policy period** and was not, prior to the **policy period**, known to have occurred by any Insured listed under Paragraph 1. of Section II – Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim, and includes any continuation, change or resumption of that **bodily injury** or **property damage** after the end of the **policy period**.

1.4. **Bodily injury** or **property damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II – Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim:

1.4.1. Reports all or any part, of the **bodily injury** or **property damage** to us or any other insurer;

1.4.2. Receives a written or verbal demand or claim for **compensatory damages** because of the **bodily injury** or **property damage**; or

1.4.3. Becomes aware by any other means that **bodily injury** or **property damage** has occurred or has begun to occur.

1.5. **Compensatory damages** because of **bodily injury** include **compensatory damages** claimed by any person or organization for care, loss of services or death resulting at any time from the **bodily injury**.

#### 2. EXCLUSIONS

**This insurance does not apply to:**

2.1. Expected or Intended Injury or Damage

**Bodily injury** or **property damage** expected or intended from the standpoint of the Insured. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.

2.2. Contractual Liability

**Bodily injury** or **property damage** for which the Insured is obligated to pay **compensatory damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **compensatory damages**:

2.2.1. That the Insured would have in the absence of the contract or agreement; or

2.2.2. Assumed in a contract or agreement that is an **insured contract**, provided the **bodily injury** or **property damage** occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an **insured contract**, reasonable legal fees and necessary litigation expenses incurred by or for a party other than an Insured are deemed to be **compensatory damages** because of **bodily injury** or **property damage**, provided:

2.2.2.1. Liability to such party for, or for the cost of, that party's defence has also been assumed in the same **insured contract**; and

2.2.2.2. Such legal fees and litigation expenses are for defence of that party against a civil or alternative dispute resolution proceeding in which **compensatory damages** to which this insurance applies are alleged.

2.3. Workers' Compensation and Similar Laws

Any obligation of the Insured under a workers' compensation, disability benefits or unemployment or employment compensation law or any similar law.

2.4. Employer's Liability

**Bodily injury** to:

2.4.1. An **employee** of the Insured arising out of and in the course of:

2.4.1.1. Employment by the Insured; or

2.4.1.2. Performing duties related to the conduct of the Insured's business; or

2.4.2. The spouse, child, parent, brother or sister of that **employee** as a consequence of sub-paragraph 2.4.1. above.

This exclusion applies:

- 2.4.3. Whether the Insured may be liable as an employer or in any other capacity; and
- 2.4.4. To any obligation to share **compensatory damages** with or repay someone else who must pay **compensatory damages** because of the injury.

**This exclusion does not apply to:**

- 2.4.5. Liability assumed by the Insured under an **insured contract** but only with respect to a Canadian resident **employee**; or
- 2.4.6. A claim made or an **action** brought by a Canadian resident **employee**, because of **bodily injury** sustained in the course of employment or while performing duties on your behalf.

2.5. Watercraft

- 2.5.1. **Bodily injury** or **property damage** arising out of the ownership, maintenance, use, operation or entrustment to others by you or on your behalf of any self-propelled watercraft that exceeds 100 tons gross registry.

**This exclusion does not apply to:**

- 2.5.2. A watercraft while ashore on premises that are owned by, rented to or controlled by you;
- 2.5.3. Sub-paragraph 2.5.1. does not apply to **bodily injury** sustained by any of your **employees** while acting on your behalf.

2.6. Aircraft

- 2.6.1. **Bodily injury** or **property damage** arising out of:

- 2.6.1.1. The ownership, maintenance, use, operation or entrustment to others, by or on behalf of the Insured of any aircraft or any air cushion vehicle;
- 2.6.1.2. The ownership, use, operation or entrustment to others by or on behalf of the Insured of any premises for the purpose of an airport or an aircraft landing area;
- 2.6.1.3. All operations that are necessary or incidental to sub-paragraph 2.6.1.1. or 2.6.1.2. above;
- 2.6.1.4. Use includes **loading or unloading**;
- 2.6.1.5. Work or operations conducted by or on behalf of the Insured at airport premises or airport property (including but not limited to any runway, hangar, taxiway, apron, or air traffic control facility), but this exclusion shall not apply to such work or operations in Canada that are conducted solely within an area that is not designated by Transport Canada (or other airport regulatory authority) as a restricted area.

2.7. Automobile

- 2.7.1. **Bodily injury** or **property damage** arising directly or indirectly, in whole or in part, out of the ownership, maintenance, use, operation or entrustment to others of any **automobile** owned or operated by, or on behalf of, or rented or loaned to any Insured;
- 2.7.2. This exclusion also applies to any:
  - 2.7.2.1. Motorized snow vehicle or its trailers, except when being used for your business; or
  - 2.7.2.2. 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.
- 2.7.3. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **bodily injury** or **property damage**.

**This exclusion does not apply to:**

- 2.7.4. **Bodily injury** to an **employee** of the Insured on whose behalf contributions are made by or required to be made by the Insured under the provisions of any Canadian provincial or territorial workers' compensation law;
- 2.7.5. **Bodily injury** or **property damage** arising out of a defective condition in, or improper maintenance of, any **automobile** that is owned by the Insured while leased to others for a period of thirty (30) days or more provided the lessee is obligated under contract to ensure that the **automobile** is insured;
- 2.7.6. **Bodily injury** or **property damage** liability imposed by law upon the Insured for loss or damage arising out of the ownership, maintenance, use or operation of machinery or apparatus (including its equipment), mounted on or attached to any **automobile** at the site of the use or operation of such machinery or apparatus and provided the Insured is not insured for liability arising out of the ownership, use or operation of such mounted or attached machinery or apparatus under any automobile policy.

2.8. Damage to Property

**Property damage to:**

- 2.8.1. Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- 2.8.2. Premises you sell, give away or abandon, if the **property damage** arises out of any part of those premises;
- 2.8.3. Property loaned to you;
- 2.8.4. Personal property in your care, custody or control, including but not limited to:
  - 2.8.4.1. Property held by you for sale or entrusted to you for storage or safekeeping;
  - 2.8.4.2. Property being on premises that is owned or rented by you for the purpose of having operations performed on such property by the Insured;
- 2.8.5. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the **property damage** arises out of those operations; or
- 2.8.6. That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.

Sub-paragraph 2.8.2. of this exclusion does not apply if the premises are **your work** and were occupied, rented or held for rental by you, for a period not exceeding twelve (12) months.

Sub-paragraphs 2.8.3., 2.8.4., 2.8.5. and 2.8.6. of this exclusion do not apply to liability assumed under a sidetrack agreement.

Sub-paragraph 2.8.6. of this exclusion does not apply to **property damage** included in the **products-completed operations hazard**.

2.9. Damage to Your Product

**Property damage to your product** arising out of it or any part of it. This exclusion is replaced by exclusion 2.9.1., but only in respect to your operations related to the business of selling, repairing, or servicing automobiles:

- 2.9.1. **Property damage to your product** arising out of it or any part of it if caused by a defect existing at the time it was sold or transferred to another.

2.10. Damage to Your Work

**Property damage** to that particular part of **your work** arising out of it or any part of it and included in the **products-completed operations hazard**, this exclusion shall only apply to that part of **your work** that is defective.

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.

- 2.11. 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:  
 2.11.1. A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or  
 2.11.2. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.  
 This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.
- 2.12. Recall of Products, Work or Impaired Property  
**Compensatory damages** claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:  
 2.12.1. **Your product**;  
 2.12.2. **Your work**; or  
 2.12.3. **Impaired property**;  
 if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.
- 2.13. Electronic Data  
**Compensatory damages** arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data**.
- 2.14. Access to or Disclosure of Confidential or Personal Information (Privacy Breach)  
**Compensatory damages** arising out of any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information.
- 2.15. Personal Injury and Advertising Injury  
**Bodily injury** arising out of **personal injury** or **advertising injury**.
- 2.16. Professional Services  
**Bodily injury** (other than **incidental medical malpractice injury**), or **property damage** due to the rendering of or failure to render by you or on your behalf of any **professional services** for others, or any error or omission, malpractice or mistake in providing those services.
- 2.17. Asbestos - see Common Exclusions.  
 2.18. Fungi or Spores - see Common Exclusions.  
 2.19. Nuclear Energy Liability - see Common Exclusions.  
 2.20. Pollution - see Common Exclusions.  
 2.21. Terrorism - see Common Exclusions.  
 2.22. War Risks - see Common Exclusions.  
 2.23. Unsolicited Communication - see Common Exclusions.

## COVERAGE B - PERSONAL INJURY AND ADVERTISING INJURY LIABILITY

This insurance applies only when a Personal Injury and Advertising Injury Limit of Insurance is indicated in the Declaration Page(s).

### 1. INSURING AGREEMENT

- 1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **personal injury** or **advertising injury** to which this insurance applies. We will have the right and duty to defend the Insured against any **action** seeking those **compensatory damages**. However, we will have no duty to defend the Insured against any **action** seeking **compensatory damages** for **personal injury** or **advertising injury** to which this insurance does not apply. We may, at our discretion, investigate any offence and settle any claim or **action** that may result. But:  
 1.1.1. The amount we will pay for **compensatory damages** is limited as described in Section III - Limits of Insurance and Deductibles; and  
 1.1.2. Our right and duty to defend ends 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 payments 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.
- 1.2. This insurance applies to **personal injury** and **advertising injury** caused by an offence arising out of your business but only if the offence was committed in the **coverage territory** during the **policy period**.

### 2. EXCLUSIONS

**This insurance does not apply to:**

- 2.1. Knowing Violation of Rights of Another  
**Personal injury** or **advertising injury** caused by or at the direction of the Insured with the knowledge that the act would violate the rights of another and would inflict **personal injury** or **advertising injury**.
- 2.2. Material Published with Knowledge of Falsity  
**Personal injury** or **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.
- 2.3. Material Published Prior to Policy Period  
**Personal injury** or **advertising injury** arising out of oral or written publication of material whose first publication took place before the beginning of the **policy period**.
- 2.4. Criminal Acts  
**Personal injury** or **advertising injury** arising out of a criminal act committed by or at the direction of the Insured.
- 2.5. Contractual Liability  
**Advertising injury** for which the Insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for **compensatory damages** that the Insured would have in the absence of the contract or agreement.
- 2.6. Breach of Contract  
**Advertising injury** arising out of a breach of contract, except an implied contract to use another's advertising idea in your **advertisement**.

- 2.7. Quality or Performance of Goods - Failure to Conform to Statements  
**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**.
- 2.8. Wrong Description of Prices  
**Advertising injury** arising out of the wrong description of the price of goods, products or services stated in your **advertisement**.
- 2.9. Infringement of Copyright, Patent, Trademark or Trade Secret  
**Personal injury** and **advertising injury** arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. However, this exclusion does not apply to infringement, in your **advertisement**, of copyright, trade dress or slogan.
- 2.10. Insureds in Media and Internet Type Businesses  
**Personal injury** or **advertising injury** committed by an Insured whose business is:  
 2.10.1. Advertising, broadcasting, publishing or telecasting;  
 2.10.2. Designing or determining content of web-sites for others; or  
 2.10.3. An Internet search, access, content or service provider.  
**However, this exclusion does not apply to:**  
 2.10.4. False arrest, detention or imprisonment;  
 2.10.5. Malicious prosecution;  
 2.10.6. 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.  
 For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.
- 2.11. Interactive Websites, Electronic Chatrooms, Interactive Forums or Bulletin Boards  
**Personal Injury** or **advertising injury** arising out of an electronic interactive website, a chatroom, an interactive forum or a bulletin board the Insured hosts, owns, or over which the Insured exercises control.
- 2.12. Unauthorized Use of Another's Name or Product  
**Advertising injury** arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.
- 2.13. Access to or Disclosure of Confidential or Personal Information (Privacy Breach)  
**Personal injury** or **advertising injury** arising out of any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information.
- 2.14. Asbestos - see Common Exclusions.  
 2.15. Fungi or Spores - see Common Exclusions.  
 2.16. Nuclear Energy Liability - see Common Exclusions.  
 2.17. Pollution - see Common Exclusions.  
 2.18. Terrorism - see Common Exclusions.  
 2.19. War Risks - see Common Exclusions.  
 2.20. Unsolicited Communication - see Common Exclusions.

## COVERAGE C - MEDICAL PAYMENTS

This insurance applies only when a Medical Payments Limit of Insurance is indicated in the Declaration Page(s).

### 1. INSURING AGREEMENT

- 1.1. We will pay medical expenses as described below for **bodily injury** caused by an accident:  
 1.1.1. On premises you own or rent;  
 1.1.2. On ways next to premises you own or rent; or  
 1.1.3. Because of your operations.  
 provided that:  
 1.1.4. The accident takes place in the **coverage territory** and during the **policy period**; and  
 1.1.5. The injured person submits to an examination, at our expense, by physicians of our choice as often as we reasonably require.
- 1.2. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance as described in Section III - Limits of Insurance and Deductibles. We will pay reasonable expenses for:  
 1.2.1. First aid administered at the time of an accident;  
 1.2.2. Necessary medical, surgical, x-ray and dental services, including prosthetic devices;  
 1.2.3. Necessary ambulance, hospital, professional nursing and funeral services; and  
 1.2.4. Travel and babysitting expenses.

### 2. EXCLUSIONS

**We will not pay expenses for bodily injury:**

- 2.1. Any Insured  
 To any Insured, except **volunteer workers**.
- 2.2. Hired Person  
 To any person while engaged in maintenance and repair of the insured premises or alteration, demolition or construction operations at such premises.
- 2.3. Injury on Normally Occupied Premises  
 To any person injured on that part of premises you own or rent, that such person normally occupies.

2.4. 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.

2.5. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

2.6. Products-Completed Operations Hazard

Included within the **products-completed operations hazard**.

2.7. Coverage A Exclusions

Excluded under Coverage A.

## COVERAGE D - TENANTS' LEGAL LIABILITY

This insurance applies only when a Tenant's Legal Liability Limit of Insurance is indicated in the Declaration Page(s).

### 1. INSURING AGREEMENT

1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **property damage** to which this insurance applies. This insurance applies only to **property damage** to premises of others (including building fixtures permanently attached thereto other than improvements and betterments) rented to you or occupied by you. We will have the right and duty to defend the Insured against any **action** seeking those **compensatory damages**. However, we will have no duty to defend the Insured against any **action** seeking **compensatory damages** for **property damage** to which this insurance does not apply. We may, at our discretion, investigate any **occurrence** and settle any claim or **action** that may result. But:

1.1.1. The amount we will pay for **compensatory damages** is limited as described in Section III - Limits of Insurance and Deductibles; and

1.1.2. Our right and duty to defend ends 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 payments 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.

1.2. This insurance applies to **property damage** only if:

1.2.1. The **property damage** is caused by an **occurrence** that takes place in the **coverage territory**; and

1.2.2. The **property damage** occurs during the **policy period**; and

1.2.3. Prior to the **policy period**, no Insured listed under Paragraph 1. of Section II - Who Is An Insured and no **employee** authorized by you to give or receive notice of an **occurrence** or claim, knew that the **property damage** had occurred, in whole or in part. If such a listed Insured or authorized **employee** knew, prior to the **policy period**, that the **property damage** occurred, then any continuation, change or resumption of such **property damage** during or after the **policy period** will be deemed to have been known prior to the **policy period**.

1.3. **Property damage** which occurs during the **policy period** and was not, prior to the **policy period**, known to have occurred by any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim, and includes any continuation, change or resumption of that **property damage** after the end of the **policy period**.

1.4. **Property damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II - Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim:

1.4.1. Reports all or any part, of the **property damage** to us or any other insurer;

1.4.2. Receives a written or verbal demand or claim for **compensatory damages** because of the **property damage**; or

1.4.3. Becomes aware by any other means that **property damage** has occurred or has begun to occur.

### 2. EXCLUSIONS

This insurance does not apply to:

2.1. Expected or Intended Damage

**Property damage** expected or intended from the standpoint of the Insured.

2.2. Contractual Liability

**Property damage** for which the Insured is obligated to pay **compensatory damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **compensatory damages** that the Insured would have in the absence of the contract or agreement.

2.3. Asbestos - see Common Exclusions.

2.4. Fungi or Spores - see Common Exclusions.

2.5. Nuclear Energy Liability - see Common Exclusions.

2.6. Pollution - see Common Exclusions.

2.7. Terrorism - see Common Exclusions.

2.8. War Risks - see Common Exclusions.

2.9. Unsolicited Communication - see Common Exclusions.

## COMMON EXCLUSIONS COVERAGES A, B, C and D

This insurance does not apply to:

### 1. ASBESTOS

**Bodily injury, property damage or personal injury** related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity.

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 injury**.

### 2. FUNGI OR SPORES

2.1. **Bodily injury, property damage or personal injury** or any other cost, loss or expense incurred by others, arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any **fungi or spores** however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of **fungi or spores**;

- 2.2. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with 2.1. above; or
- 2.3. Any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in 2.1. or 2.2. 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 injury**.

For the purpose of the following exception:

- 2.4. **Property damage** means physical injury to animals;
- 2.5. **Product-completed operations hazard** means all **bodily injury** and **property damage** that arises out of **your product** provided the **bodily injury or property damage** occurs after you have relinquished physical possession of **your product**.

This exclusion does not apply to **bodily injury** or **property damage** included in the **products-completed operations hazard** arising directly or indirectly from **fungi or spores** that are found in or on, or are, **your product**, and are intended to be:

- 2.6. Applied topically to humans or animals; or
- 2.7. Ingested by humans or animals.

#### LIMITED COVERAGE

This **FUNGI OR SPORES** exclusion does not apply to **bodily injury, property damage or personal injury** included in the **products-completed operations hazard**, which is not otherwise excluded by this Form. Subject to the Each Occurrence Limit and the Products-Completed Operations Aggregate Limit shown in the Declaration Page(s), the Fungi or Spores Liability Limit is \$500,000 in any one **occurrence** and in the Aggregate and is the most we will pay under this LIMITED COVERAGE.

### 3. NUCLEAR ENERGY LIABILITY

- 3.1. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;
- 3.2. **Bodily injury, property damage or personal injury** with respect to which an Insured under this Policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability;
- 3.3. **Bodily injury, property damage or personal injury** resulting directly or indirectly from the **nuclear energy hazard** arising from:
  - 3.3.1. The ownership, maintenance, operation or use of a **nuclear facility** by or on behalf of an Insured;
  - 3.3.2. The furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**;
  - 3.3.3. The possession, consumption, use, handling, disposal or transportation of **fissionable substances**, or of other **radioactive material** (except radioactive isotopes, away from a **nuclear facility**, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **bodily injury, property damage or personal injury**.

### 4. POLLUTION

- 4.1. **Bodily injury, property damage or personal injury** arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**:
  - 4.1.1. 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 sub-paragraph does not apply to:
    - 4.1.1.1. **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;
    - 4.1.1.2. **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
    - 4.1.1.3. **Bodily injury or property damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight, a **hostile fire**;
  - 4.1.2. 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;
  - 4.1.3. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
    - 4.1.3.1. Any Insured; or
    - 4.1.3.2. Any person or organization for whom you may be legally responsible; or
  - 4.1.4. 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 sub-paragraph does not apply to:
    - 4.1.4.1. **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 or its parts, if such fuels, lubricants or other operating fluids escape from a permanent and integral 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;
    - 4.1.4.2. **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
    - 4.1.4.3. **Bodily injury or property damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight, a **hostile fire**.
  - 4.1.5. 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, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of **pollutants**.
- 4.2. Any loss, cost or expense arising out of any:
  - 4.2.1. Request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or
  - 4.2.2. Claim or **action** by or on behalf of a governmental authority for **compensatory damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, decontaminating, stabilizing, remediating or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.

However, this Section 4.2. does not apply to liability for **compensatory damages** because of **property damage** that the Insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or **action** by or on behalf of a governmental authority.

### 5. TERRORISM

**Bodily injury, property damage or personal injury** arising directly or indirectly, in whole or in part, out of **terrorism** or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **bodily injury, property damage or personal injury**.

#### 6. WAR RISKS

**Bodily injury, property damage or personal injury** arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **bodily injury, property damage or personal injury**.

#### 7. UNSOLICITED COMMUNICATION

**Bodily injury, property damage, personal injury or advertising injury** imposed by or arising from any **action** or omission that violates or allegedly violates any federal, provincial, territorial, state or municipal act, law, statute, ordinance, rule or regulation, that restricts or prohibits the transmitting of any **unsolicited communication**, regardless of the jurisdiction.

## SUPPLEMENTARY PAYMENTS - COVERAGES A, B and D

### 1. We will pay, with respect to any claim we investigate or settle, or any **action** against an Insured we defend:

- 1.1. All expenses we incur;
- 1.2. 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;
- 1.3. All costs to protect you against any levy of execution arising from a judgment;
- 1.4. All reasonable expenses you incur at our request to assist us in the investigation or defence of the claim or **action**, including actual loss of earnings because of time off from work;
- 1.5. All costs assessed or awarded against you in the **action**;
- 1.6. Any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

If we are prevented by law or otherwise from defending the Insured, we will reimburse the Insured for defence costs and expenses that are incurred with our consent.

These payments will not reduce the limits of insurance.

### 2. If we defend an Insured against an **action** and an indemnitee of the Insured is also named as a party to the **action**, we will defend that indemnitee if all of the following conditions are met:

- 2.1. The **action** against the indemnitee seeks **compensatory damages** for which the Insured has assumed the liability of the indemnitee in a contract or agreement that is an **insured contract**;
- 2.2. This insurance applies to such liability assumed by the Insured;
- 2.3. The obligation to defend, or the cost of the defence of, that indemnitee, has also been assumed by the Insured in the same **insured contract**;
- 2.4. The allegations in the **action** and the information we know about the **occurrence** are such that no conflict appears to exist between the interests of the Insured and the interests of the indemnitee;
- 2.5. The indemnitee and the Insured ask us to conduct and control the defence of that indemnitee against such **action** and agree that we can assign the same counsel to defend the Insured and the indemnitee; and
- 2.6. The indemnitee:
  - 2.6.1. Agrees in writing to:
    - 2.6.1.1. Cooperate with us in the investigation, settlement or defence of the **action**;
    - 2.6.1.2. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **action**;
    - 2.6.1.3. Notify any other insurer whose coverage is available to the indemnitee; and
    - 2.6.1.4. Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
  - 2.6.2. Provides us with written authorization to:
    - 2.6.2.1. Obtain records and other information related to the **action**; and
    - 2.6.2.2. Conduct and control the defence of the indemnitee in such **action**.

So long as the above conditions are met, legal fees incurred by us in the defence of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of sub-paragraph 2.2.2. of Section I - Coverage A - Bodily Injury and Property Damage Liability, such payments will not be deemed to be **compensatory damages for bodily injury and property damage** and will not reduce the limits of insurance.

Our obligation to defend an Insured's indemnitee and to pay for legal fees and necessary litigation expenses as Supplementary Payments ends when:

- 2.7. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- 2.8. The conditions set forth above, or the terms of the agreement described in sub-paragraph 2.6. above, are no longer met.

## SECTION II - WHO IS AN INSURED

### 1. IF YOU ARE DESIGNATED IN THE DECLARATION PAGE(S) AS:

- 1.1. 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.
- 1.2. A partnership, limited liability partnership or joint venture, you are an Insured. Your members, your partners, and their spouses are also Insureds, but only with respect to the conduct of your business.
- 1.3. A limited liability company, you are an Insured. Your members are also Insureds, but only with respect to the conduct of your business. Your managers are Insureds, but only with respect to their duties as your managers.
- 1.4. An organization other than a partnership, limited liability partnership, joint venture or limited liability company, you are an Insured. Your **executive officers** and directors are Insureds, but only with respect to their duties as your officers or directors. Your shareholders are also Insureds, but only with respect to their liability as shareholders.
- 1.5. A trust, you are an Insured. Your trustees are also Insureds, but only with respect to their duties as trustees.
- 1.6. An incorporated association, each member of the incorporated association is an Insured but solely in respect of the liability arising out of his actions as a member and his participation in the activities of the incorporated association. This insurance shall only apply as excess coverage to the extent of any amount not paid due to the

exhaustion of the personal General Liability policy of a member. This insurance does not apply to loss, damage or injury to a member caused by another member of the incorporated association.

## 2. EACH OF THE FOLLOWING IS ALSO AN INSURED:

- 2.1. Your **volunteer workers** only while performing duties related to the conduct of your business, or **employees**, other than either your **executive officers** (if you are an organization other than a partnership, limited liability partnership, joint venture or limited liability company), or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these **employees** or **volunteer workers** are Insureds for:
    - 2.1.1. **Bodily injury, personal injury or advertising injury:**
      - 2.1.1.1. To you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-**employee** while in the course of his or her employment or performing duties on your behalf, or to your other **volunteer workers** while performing duties related to the conduct of your business, except with respect to **incidental medical malpractice injury**;
      - 2.1.1.2. To the spouse, child, parent, brother or sister of that co-**employee** or **volunteer worker** as a consequence of sub-paragraph 2.1.1.1. above;
      - 2.1.1.3. For which there is any obligation to share **compensatory damages** with or repay someone else who must pay **compensatory damages** because of the injury described in sub-paragraphs 2.1.1.1. or 2.1.1.2. above;
      - 2.1.1.4. Arising out of his or her providing or failing to provide professional health care services; or
      - 2.1.1.5. To any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law.
    - 2.1.2. **Property damage** to property that is:
      - 2.1.2.1. Owned or occupied by; or
      - 2.1.2.2. Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose.By you, any of your **employees, volunteer workers**, any partner or member (if you are a partnership, limited liability partnership or joint venture) or any member (if you are a limited liability company).
  - 2.2. Any person (other than your **employee** or **volunteer worker**), or any organization while acting as your real estate manager.
  - 2.3. Any person or organization having proper temporary custody of your property if you die, but only:
    - 2.3.1. With respect to liability arising out of the maintenance or use of that property; and
    - 2.3.2. Until your legal representative has been appointed.
  - 2.4. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Form.
  - 2.5. Your unit or strata lot owners and any tenants, but only with respect to the conduct of the corporation for liability arising out of the common property, excluding liability arising out of the owner's or tenant's possession, occupation or use of property designated for exclusive use.
  - 2.6. Any Canadian domiciled person or organization under your management control and for which you are responsible for arranging insurance, but only with respect to your premises, your operations, **your product** or **your work**.
  - 2.7. Any person, firm or organization for whom you have contracted to provide liability insurance. Coverage under this provision is afforded as per the present policy terms, limits and conditions and only with respect to your premises, **your product** or **your work**. However, this sub-paragraph does not apply to any person, firm or organization who is added to this Policy as an Additional Insured by endorsement.
  - 2.8. **Agents** acting on your behalf but solely in respect of any liability arising out of the performance of their duties on your behalf.  
For the purpose of this sub-paragraph only, **agent** means any person who solicits and procures business from potential clients on your behalf, and who receives a commission in return for the performance of their duties.
3. Any organization you newly acquire or form, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
    - 3.1. 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;
    - 3.2. Coverage A and D do not apply to **bodily injury** or **property damage** that occurred before you acquired or formed the organization; and
    - 3.3. Coverage B does not apply to **personal injury** or **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, limited liability partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declaration Page(s).

## SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLES

1. The Limits of Insurance shown in the Declaration Page(s), subject to the rules below, are the most we will pay regardless of the number of:
  - 1.1. Insureds;
  - 1.2. Claims made or **actions** brought; or
  - 1.3. Persons or organizations making claims or bringing **actions**.
2. The Abuse Aggregate Limit is the most we will pay under Coverage A for **compensatory damages** because of **bodily injury** arising out of **abuse**.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for **compensatory damages** because of **bodily injury** and **property damage** included in the **products-completed operations hazard**.
4. Subject to Paragraphs 2. and 3. above, the Each Occurrence Limit is the most we will pay for the sum of:
  - 4.1. **Compensatory damages** under Coverage A; and
  - 4.2. Medical payments under Coverage C;because of all **bodily injury** and **property damage** arising out of any one **occurrence**.
5. The Personal Injury and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all **compensatory damages** because of all **personal injury** and **advertising injury** sustained by any number of person(s) or organization(s) in the Aggregate.
6. The Tenants' Legal Liability Limit is the most we will pay under Coverage D for **compensatory damages** because of **property damage** to any one premises.
7. Subject to Paragraph 4. above, the Medical Payments Limit is the most we will pay under Coverage C for all medical payments because of **bodily injury** sustained by any one person.
8. The Limits of Insurance of this Policy apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the **policy period** shown in the Declaration Page(s), unless the **policy period** is extended after issuance for an additional period of less than twelve (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.
9. **DEDUCTIBLES**

- 9.1. Our obligation under Property Damage Liability and Tenants' Legal Liability to pay **compensatory damages** on your behalf applies only to the amount of **compensatory damages** in excess of any deductible amounts stated in the Declaration Page(s) as applicable to such coverages, and the limits of insurance applicable to each **occurrence** for Property Damage Liability and any one premises for Tenants' Legal Liability will be reduced by the amount of such deductible.
- 9.2. The deductible amounts apply as follows:
  - 9.2.1. Coverage A
 

Under Coverage A: To all **compensatory damages** because of **property damage** as the result of any one **occurrence**, regardless of the number of persons or organizations who sustain **compensatory damages** because of that **occurrence**.
  - 9.2.2. Coverage D
 

Under Coverage D: To all **compensatory damages** because of **property damage** as the result of any one **occurrence**, regardless of the number of persons or organizations who sustain **compensatory damages** because of that **occurrence**. However, this deductible shall not be applied to claims arising out of the perils of fire, explosion, smoke and sprinkler leakage.
- 9.3. The terms of this insurance, including those in respect to:
  - 9.3.1. Our right and duty to defend any **action** seeking those **compensatory damages**; and
  - 9.3.2. Your duties in the event of an **occurrence**, claim or **action**;

apply irrespective of the application of the deductible amount.
- 9.4. We may pay any part or all of the deductible amount to effect settlement of any claim or **action** and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

## SECTION IV - DEFINITIONS

1. **Abuse** means, but is not limited to, any act or threat involving molestation, harassment, corporal punishment, assault or battery or any other form of sexual, physical, mental, psychological or emotional abuse.
2. **Action** means a civil proceeding in which **compensatory damages** because of **bodily injury, property damage, personal injury** or **advertising injury** to which this insurance applies are alleged. **Action** includes:
  - 2.1. An arbitration proceeding in which such **compensatory damages** are claimed and to which the Insured must submit or does submit with our consent; or
  - 2.2. Any other alternative dispute resolution proceeding in which such **compensatory damages** are claimed and to which the Insured submits with our consent.
3. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - 3.1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - 3.2. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an **advertisement**.
4. **Advertising injury** means injury arising out of one or more of the following offences:
  - 4.1. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
  - 4.2. Oral or written publication, in any manner, of material that violates a person's right of privacy; or
  - 4.3. The use of another's advertising idea in your **advertisement**; or
  - 4.4. Infringing upon another's copyright, trade dress or slogan in your **advertisement**.
5. **Automobile** means a self-propelled land motor vehicle, trailer or semitrailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any machinery or equipment attached to such automobile.
6. **Bodily injury** means bodily or mental injury, sickness, disease, disability or shock sustained by a person, including death resulting at any time.
7. **Compensatory damages** means damages (including prejudgment interest) due or awarded in payment for actual injury or economic loss. **Compensatory damages** does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
8. **Coverage territory** means any part of the world:
  - 8.1. Provided the Insured's responsibility to pay **compensatory damages** is determined in an **action** on the merits in Canada or the United States of America (including their territories and possessions) or in an out-of-court settlement to which we have agreed; or
  - 8.2. If the loss, damage or injury arises out of the Insured's use of space intended for commercial representation purposes related to the Insured's business, such as sales offices, showrooms, or during trade shows, exhibitions, fairs or conferences. For the purpose of this sub-paragraph 8.2., any loss, damage or injury arising from the **products-completed operations hazard**, is covered only to the extent described in sub-paragraph 8.1.
9. **Electronic data** means information, facts or programs in any form or representations of information or concepts in any form stored as or on, created or used on, or transmitted to or from computer or data processing software (including systems and application software), memory devices, data processing devices or any other media that are used with electronically controlled equipment.
10. **Employee** includes a **leased worker** and a **temporary worker**.
11. **Executive officer** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document or any person designated as an officer by you.
12. **Fissionable substance** means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
13. **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.
14. **Hostile fire** means a fire that becomes uncontrollable or breaks out from where it was intended to be.
15. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
  - 15.1. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
  - 15.2. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

  - 15.3. The repair, replacement, adjustment or removal of **your product** or **your work**; or
  - 15.4. Your fulfilling the terms of the contract or agreement.
16. **Incidental medical malpractice injury** means **bodily injury** arising out of the rendering of or failure to render, during the **policy period**, the following services:
  - 16.1. Medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or

16.2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;

by any Insured or any indemnitee causing the **incidental medical malpractice injury** who is not engaged in the business or occupation of providing any of the services described in sub-paragraphs 16.1. and 16.2. above.

**17. Insured contract** means:

- 17.1. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you or temporarily occupied by you with permission of the owner is not an **insured contract**;
- 17.2. A sidetrack agreement;
- 17.3. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
- 17.4. Any other easement agreement;
- 17.5. An obligation, as required by ordinance or bylaw, to indemnify a municipality, except in connection with work for a municipality;
- 17.6. An elevator maintenance agreement;
- 17.7. A declaration of co-ownership;
- 17.8. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for **compensatory damages** because of **bodily injury** or **property damage** to a third person or organization, provided the **bodily injury** or **property damage** is caused, in whole or in part, by you or by those acting on your behalf and provided that such **bodily injury** or **property damage** arises from **your work**. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Sub-paragraph 17.8. does not include that part of any contract or agreement:

17.8.1. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

17.8.1.1. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

17.8.1.2. Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

17.8.2. Under which the Insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Insured's rendering or failure to render **professional services**, including those listed in 17.8.1. above and supervisory, inspection, architectural or engineering activities.

**18. 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**.

**19. Loading or unloading** means the handling of property:

- 19.1. After it is moved from the place where it is accepted for movement into or onto an aircraft;
- 19.2. While it is in or on an aircraft; or
- 19.3. While it is being moved from an aircraft to the place where it is finally delivered;

but **loading or unloading** does not include the movement of property by means of a mechanical device that is not attached to the aircraft.

**20. Nuclear energy hazard** means the radioactive, toxic, explosive, or other hazardous properties of **radioactive material**.

**21. Nuclear facility** means:

- 21.1. Any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
- 21.2. Any equipment or device designed or used for:
  - 21.2.1. Separating the isotopes of plutonium, thorium and uranium or any one or more of them; or
  - 21.2.2. Processing or packaging waste;
- 21.3. Any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- 21.4. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste **radioactive material**;

and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

**22. Occurrence** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

**23. Personal injury** means injury, including consequential **bodily injury**, arising out of one or more of the following offences:

- 23.1. False arrest, detention or imprisonment;
- 23.2. Malicious prosecution;
- 23.3. 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;
- 23.4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- 23.5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- 23.6. Discrimination, (except in such jurisdictions where by legislation, court decisions or administrative ruling, such insurance is prohibited or held to violate the law or public policy of any such jurisdiction) sustained by any person or persons during the **policy period**.

**24. Policy period** means each consecutive period of twelve (12) months included in the **policy period** shown on the Declaration Page(s). The first twelve-month period starts on the inception date of the policy and the subsequent period starts at the expiry of the first twelve-month period.

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

**26. Products-completed operations hazard**

26.1. 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:

26.1.1. Products that are still in your physical possession; or

26.1.2. Work that has not yet been completed or abandoned. However, **your work** will be deemed completed at the earliest of the following times:

26.1.2.1. When all of the work called for in your contract has been completed;

26.1.2.2. When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site;

26.1.2.3. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

26.2. Does not include **bodily injury** or **property damage** arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

**27. Professional services** means, without limitation:

- 27.1. Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection with such service or treatment;
- 27.2. Service or treatment conducive to health;
- 27.3. Professional services of a pharmacist;
- 27.4. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
- 27.5. The handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
- 27.6. Cosmetic, body piercing, hairdressing, massage, physiotherapy, chiropractic, hearing aid, optical or optometric services or treatments;
- 27.7. The preparation or approval of maps, plans, opinions, reports, surveys, field orders, change orders or drawings and specifications;
- 27.8. Supervisory, inspection, architectural, design or engineering services;
- 27.9. Professional advice or activities of accountants, advertisers, notaries (Quebec), public notaries, paralegals, lawyers, real estate brokers or agents, insurance brokers or agents, travel agents, financial institutions, or consultants;
- 27.10. Computer programming or re-programming, consulting, advisory or related services; or
- 27.11. Claim, investigation, adjusting of claims, appraisal, survey or audit services.

**28. Property damage** means:

- 28.1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- 28.2. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it.

For the purposes of this insurance, **electronic data** is not tangible property.

**29. 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.

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

**31. 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.

**32. 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.

**33. Unsolicited communication** means communication in any form sent to any person or organization, without their prior consent.

**34. Volunteer worker** means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**35. Your product**

35.1. Means:

35.1.1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

35.1.1.1. You;

35.1.1.2. Others trading under your name; or

35.1.1.3. A person or organization whose business or assets you have acquired; and

35.1.2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

35.2. Includes:

35.2.1. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and

35.2.2. The providing of or failure to provide warnings or instructions.

35.3. Does not include vending machines or other property rented to or located for the use of others but not sold.

**36. Your work**

36.1. Means:

36.1.1. Work or operations performed by you or on your behalf; and

36.1.2. Materials, parts or equipment furnished in connection with such work or operations.

36.2. Includes:

36.2.1. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and

36.2.2. The providing of or failure to provide warnings or instructions.