

**ALLSPORT COMMERCIAL GENERAL LIABILITY AND PROPERTY INSURANCE**

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

**MARKEL**

1100 Melville Street, Suite 750  
Vancouver, BC V6E 4A6

**DECLARATIONS**

<b>Policy Number</b> AL6087	<b>Replacing Policy Number</b> NEW	<b>Broker</b> BFL CANADA RISK & INSURANCE INC. - MONTREAL																														
<b>Policy Period From</b>	APRIL 1, 2020	<b>To</b> APRIL 1, 2021																														
<b>12:01 a.m. Standard Time at Postal Address of the Named Insured as stated herein.</b>																																
<b>Name of Insured and Postal Address</b>	ATHLETICS ONTARIO 3701 Danforth Avenue Scarborough, ON M1N 2G2																															
<b>Description of Operations</b>	PROVINCIAL ASSOCIATION FOR THE DEVELOPMENT, PROMOTION AND DELIVERY OF PROGRAMS AND COMPETITIONS IN ATHLETICS																															
In return for payment of the premium, and subject to the terms of this policy, we agree to provide the insurance as stated in this policy.																																
<table border="1"><thead><tr><th></th><th>Deductible</th><th>Limits</th></tr></thead><tbody><tr><td colspan="3"><b>COMMERCIAL GENERAL LIABILITY POLICY - ASIM 100 (6/90)</b></td></tr><tr><td>Each Occurrence</td><td></td><td>10,000,000</td></tr><tr><td>Tenants Legal Liability-any one premises</td><td>1,000</td><td>2,000,000</td></tr><tr><td>Medical Expense-any one person</td><td></td><td>2,500</td></tr><tr><td>Aggregate Limit-Products/Completed Operations Hazard</td><td></td><td>10,000,000</td></tr><tr><td>Bodily Injury/Property Damage &amp; Legal Expense Deductible</td><td>1,000</td><td></td></tr><tr><td>Errors &amp; Omissions Liability (Directors &amp; Officers/Wrongful Acts)</td><td>1,000</td><td>5,000,000</td></tr><tr><td>Non Owned Automobile S.P.F. 6 O.E.F. 98B</td><td></td><td>5,000,000</td></tr><tr><td colspan="3">Location of Premises you own or occupy - Various</td></tr></tbody></table>				Deductible	Limits	<b>COMMERCIAL GENERAL LIABILITY POLICY - ASIM 100 (6/90)</b>			Each Occurrence		10,000,000	Tenants Legal Liability-any one premises	1,000	2,000,000	Medical Expense-any one person		2,500	Aggregate Limit-Products/Completed Operations Hazard		10,000,000	Bodily Injury/Property Damage & Legal Expense Deductible	1,000		Errors & Omissions Liability (Directors & Officers/Wrongful Acts)	1,000	5,000,000	Non Owned Automobile S.P.F. 6 O.E.F. 98B		5,000,000	Location of Premises you own or occupy - Various		
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<b>Premium Basis</b> Members Day Members	Endorsements attached to this document: Incidental Medical Malpractice Liability AS01 Sanction Limitation Voluntary Compensation Coverage Form 00900 AL Named Insured Data Exclusion 2000CL AL Terrorism Exclusion 2002CL AL ...../2																															

The insurance contract consists of this Declarations page & all coverage wordings, statutory conditions, riders or endorsements attached hereto.

**IDENTIFICATION OF INSURER / ACTION AGAINST INSURER**

This insurance has been effected in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to Agreement No. MKL2020001, UMRB6027MKL2020001 (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is 1155 rue Metcalfe, Suite 2220, Montreal, Quebec, H3B 2V6.

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

In witness whereof this policy has been signed as authorized by the Underwriters, by **MARKEL CANADA LIMITED**

Per 

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

In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder whose name and address appears above. All inquiries and disputes are also to be addressed to this Coverholder.

**THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.**

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

Mar 23, 2020

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**DECLARATIONS (cont'd)**

Insured ATHLETICS ONTARIO				
Coverage	Co-ins.	Deductible	Limits	Premium
Asbestos Exclusion 1998CL AL Fungi Exclusion 1999CL AL				
Abuse Limitation Endorsement (\$5,000,000 Aggregate Limit)		\$1,000	5,000,000	Incl.
S.E.F. No. 94 Legal Liability for Damage to Hired Automobiles 335100 AS		1,000	50,000	Incl.
Property Multi-Peril Commercial Building, Equipment & Stock 403700 AL on Equipment	90%	1,000	60,000	405
Miscellaneous Property Floater 031910 AL	100%	1,000	70,500	390
Property Extension Endorsement PR76 Property Extension Endorsement Schedule PR76S Earthquake Endorsement 403900 AL Flood Extension 450600 AL Sewer Backup Coverage Endorsement 450651 AL		3% 10,000 2,500	130,500 Incl. Incl.	Incl. Incl. Incl.
Equipment Breakdown E200G - Option 2	100%	1,000	60,000	Incl.
Policy Conditions 440000 AL Replacement Cost Endorsement 400510 AL Cyber and Data Exclusion PR2002C Terrorism Exclusion 2002CP AL Fungi Exclusion 1999CP AL				
Location - 3701 Danforth Avenue, Scarborough, ON M1N 2G2				
	P128	1,000	130,500	\$795 Ins9

The statutory conditions and additional conditions apply with respect to all the perils insured by this policy and to the liability coverage, where provided, except where these conditions may be modified or supplemented by riders or endorsements attached.

### **STATUTORY CONDITIONS**

- 1. MISREPRESENTATION:** If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.
- 2. PROPERTY OF OTHERS:** Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.
- 3. CHANGE OF INTEREST:** The Insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act or change of title by succession, by operation of law, or by death.
- 4. MATERIAL CHANGE:** Any change material to the risk and within the control and knowledge of the Insured, voids the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local broker; and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if he desires the contract to continue in force, he must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium, and in default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.
- 5. TERMINATION:**
  - 1) This contract may be terminated:
    - A) By the Insurer giving to the Insured fifteen (15) days' notice of termination by registered mail or five (5) days' written notice of termination personally delivered.
    - B) By the Insured at any time on request.
  - 2) Where this contract is terminated by the Insurer:
    - A) The Insurer shall refund the excess of premium actually paid by the Insured over the pro rata premium for the expired times, but in no event shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
    - B) The refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
  - 3) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of the premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time deemed to be less than any minimum retained premium specified.
  - 4) The refund may be paid by money, postal or express company money order or cheque payable at par.
  - 5) The fifteen (15) days mentioned in clause A) or sub-condition 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. REQUIREMENT AFTER LOSS:**
  - 1) Upon the occurrence of any loss or damage to the Insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11:
    - A) Forthwith give notice thereof in writing to the Insurer;
    - B) Deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
      - I. Giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed.
      - II. Stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes.
      - III. Stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured.
      - IV. Showing the amount of other insurances and the names of other Insurers.
      - V. Showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property.

- VI. Showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract.
  - VII. Showing the place where the property insured was at the time of loss;
  - C) If required, give a complete inventory of undamaged property and showing detail quantities, cost, actual cash value;
  - D) If required and practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declarations, and furnish a copy of the written portion of any other contract.
  - 2) The evidence furnished under clauses C) and D) of sub-paragraph 1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.
- 7. FRAUD:** Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars vitiates the claim of the person making the declaration.
- 8. WHO MAY GIVE NOTICE AND PROOF:** Notice of loss may be given and proof of loss may be made by the agent of the Insured named in the contract in case of absence or inability of the Insured to give notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.
- 9. SALVAGE:**
- 1) The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
  - 2) The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph 1) of this condition according to the respective interest of the parties.
- 10. ENTRY, CONTROL, ABANDONMENT:** After loss or damage to insured property, the Insurer has an immediate right to 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, of 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 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 appraisal until a specific demand therefore is made in writing and until after proof of loss has been delivered.
- 12. WHEN LOSS PAYABLE:** The loss is payable within sixty (60) days after the completion of the proof of loss, unless the contract provides for a shorter period.
- 13. REPLACEMENT:**
- 1) The Insurer, instead of making payment, may repair, rebuild or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipts of the proofs of loss.
  - 2) In the event the Insurer shall commence to so repair, rebuild or replace the property within forty-five days after receipts 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.
- 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 this contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in our outside Canada.

## **COMMERCIAL GENERAL LIABILITY POLICY**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under SECTION II - WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning.

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

### **SECTION I - COVERAGES**

#### **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

##### **1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as compensatory damages because of "bodily injury" or "property damage" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B, AND D. This insurance applies only to "bodily injury" and "property damage" which occurs during the policy period. The "bodily injury" or "property damage" must be caused by an "occurrence". The "occurrence" must take place in the "coverage territory". We will have the right and duty to defend any "action" seeking those damages, but:
  - 1) the amount we will pay for compensatory damages is limited as described in SECTION III - LIMITS OF INSURANCE;
  - 2) we may investigate and settle any claim or "action" at our discretion; and
  - 3) our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C.
- b. 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".
- c. "Property damage" that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the "occurrence" that caused it.

##### **2. Exclusions**

This insurance does not apply to:

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- b. "Bodily injury" or "property damage" for which the insured is obligated to pay compensatory damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for compensatory damages:
  - 1) assumed in a contract or agreement that is an "insured contract"; or
  - 2) that the insured would have in the absence of the contract or agreement.
- c. Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.
- d.
  - 1) "Bodily injury" or "property damage" arising out of the ownership, use or operation by or on behalf of any insured of:

- a) any "automobile";
  - b) any motorized snow vehicle or its trailers;
  - c) any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity; or
  - d) any vehicle which if it were to be insured would be required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, but this exclusion does not apply to the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment.
- 2) "Bodily injury" or "property damage" with respect to which any motor vehicle liability policy is in effect or would be in effect but for its termination upon exhaustion of its limit of liability or is required by law to be in effect.
- This exclusion does not apply to "bodily injury" to an employee of the insured on whose behalf contributions are made or required to be made by the insured under the provisions of any workers compensation law.
- e. "Bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation, loading or unloading, or entrustment to others, by or on behalf of any insured of any watercraft.
- This exclusion does not apply to:
- 1) a watercraft while ashore on premises you own or rent;
  - 2) a watercraft you do not own that is:
    - a) less than 8 meters long; and
    - b) not being used to carry persons or property for a charge.
  - 3) "Bodily injury" to any employee of the insured on whose behalf contributions are made or required to be made under the provisions of any workers compensation law.
- f. 1) "Bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation, loading or unloading, or the entrustment to others, by or on behalf of any insured of:
  - a) any aircraft; or
  - b) any air cushion vehicle.
- 2) "Bodily injury" or "property damage" arising out of the ownership, existence, use or operation or entrustment to others by or on behalf of any insured of any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.
- g. "Property damage" to:
- 1) property you own, rent or occupy;
  - 2) premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
  - 3) property loaned to you;
  - 4) personal property in your care, custody or control;
  - 5) that particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the "property damage" arises out of those operations; or
  - 6) that particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.
- Paragraph 2) of this exclusion do not apply if the premises are "your work" and were never occupied, rented or held for rental by you.
- Paragraphs 3), 4), 5) and 6) of this exclusion do not apply to liability assumed under a sidetrack agreement.
- Paragraph 6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".
- h. "Property damage" to "your product" arising out of it or any part of it.
- i. "Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".
- This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.
- j. "Property damage" to "impaired property" or property that has not been physically injured, arising out of:
- 1) a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or,

- 2) a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

- k. Any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:
  - 1) "your product";
  - 2) "your work"; or
  - 3) "impaired property";if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.
- l. Pollution Liability - see Common Exclusions.
- m. Nuclear Liability - see Common Exclusions.
- n. War Risks - see Common Exclusions.

## **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**

### **1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as compensatory damages because of "personal injury" or "advertising injury" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B AND D. We will have the right and duty to defend any "action" seeking those compensatory damages but:
  - 1) the amount we will pay for compensatory damages is limited as described in SECTION III - LIMITS OF INSURANCE;
  - 2) we may investigate and settle any claim or "action" at our discretion; and
  - 3) our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C.
- b. This insurance applies to "personal injury" only if caused by an offence:
  - 1) committed in the "coverage territory" during the policy period; and
  - 2) arising out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.
- c. This insurance applies to "advertising injury" only if caused by an offense committed:
  - 1) in the "coverage territory" during the policy period; and
  - 2) in the course of advertising your goods, products or services.

### **2. Exclusions**

This insurance does not apply to:

- a. "Personal injury" or "advertising injury":
  - 1) 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) arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
  - 3) arising out of the wilful violation of a penal statute or ordinance committed by or with the consent of the insured; or
  - 4) for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

- b. "Advertising injury" arising out of:
  - 1) breach of contract, other than misappropriation of advertising ideas under an implied contract;
  - 2) the failure of goods, products or services to conform with advertised quality or performance;
  - 3) the wrong description of the price of goods, products or services; or
  - 4) an offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting.

## **COVERAGE C. MEDICAL PAYMENTS**

### **1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - 1) on premises you own or rent;
  - 2) on ways next to premises you own or rent; or
  - 3) because of your operations;
 provided that:
  - a) the accident takes place in the "coverage territory" and during the policy period;
  - b) the expenses are incurred and reported to us within one year of the date of the accident; and
  - c) the injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
  - 1) first aid at the time of an accident;
  - 2) necessary medicinal, surgical, x-ray and dental services, including prosthetic devices; and
  - 3) necessary ambulance, hospital, professional nursing and funeral services.

### **2. Exclusions**

We will not pay expenses for "bodily injury":

- a. to any insured;
- b. to a person hired to do work for or on behalf of any insured or a tenant of any insured;
- c. to a person injured on that part of premises you own or rent that the person normally occupies;
- d. to a person, whether or not an employee of any insured, who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law;
- e. to a person injured while taking part in athletics;
- f. the payment of which is prohibited by law;
- g. included within the "products-completed-operations hazard";
- h. excluded under Coverage A.

## **COVERAGE D. TENANT'S LEGAL LIABILITY**

### **1. Insuring Agreement**

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. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B and D. This insurance applies only to "property damage" to premises rented to you or occupied by you. This insurance applies only to "property damage" which occurs during the policy period. The "property damage" must be caused by an "occurrence". The "occurrence" must take place in the "coverage territory". We will have the right and duty to defend any "action" seeking compensatory damages but:

- a. the amount we will pay for compensatory damages is limited as described in SECTION III - LIMITS OF INSURANCE;
- b. we may investigate and settle any claim or "action" at our discretion; and
- c. our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage A, B or D or medical expenses under Coverage C.



## 2. Exclusions

This insurance does not apply to:

- a. "Property damage" expected or intended from the standpoint of the insured.
- b. "Property damage" for which the insured is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for compensatory damages that the insured would have in the absence of the contract or agreement.
- c. Pollution Liability - see Common Exclusions.
- d. Nuclear Energy Liability - see Common Exclusions.
- e. War Risks - see Common Exclusions.

## COVERAGE E. ERRORS AND OMISSIONS LIABILITY

### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as compensatory damages because of "wrongful act", to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B, D and E. We will have the right and duty to defend any "action" seeking those compensatory damages. But:
  - 1) the amount we will pay for compensatory damages is limited as described in SECTION III - LIMITS OF INSURANCE;
  - 2) we may investigate and settle any claim or "action" at our discretion; and
  - 3) our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B, D or E or medical expenses under Coverage C.
- b. This insurance applies to "wrongful act" only:
  - 1) committed in the "coverage territory" during the policy period; and
  - 2) arising out of the conduct of your operation.

### 2. Exclusions

This insurance does not apply to:

- a. "Bodily injury", "personal injury" or "property damage".
- b. Your gaining in fact any personal profit or advantage to which you were not legally entitled.
- c. Acts of fraud or dishonesty.
- d. Any failure or omission on your part to effect and maintain insurance.
- e.
  - 1) claims or "action" seeking relief, or redress, in any form other than money damages;
  - 2) for fees or expenses relating to claims, demands or actions seeking relief or redress, in any form other than money damages.
- f. Pollution Liability - see Common Exclusions.
- g. Nuclear Liability - see Common Exclusions.
- h. War Risks - see Common Exclusions.

## **COMMON EXCLUSIONS - COVERAGES A, C, D AND E**

### **1. Pollution Liability**

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:
  - 1) at or from premises owned, rented or occupied by an insured;
  - 2) at or from any site or location used by or for an insured or others for the handling, storage, disposal, processing or treatment of waste;
  - 3) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for an insured or any person or organization for whom the insured may be legally responsible; or
  - 4) at or from any site or locations on which an insured or any contractor or subcontractors working directly or indirectly on behalf of an insured are performing operations:
    - a) if the pollutants are brought on or to the site or location in connection with such operations; or
    - b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.
- b. Any loss, cost or expense arising out of any governmental direction or request that an insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.
- c. Fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of any pollutants.

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

Subparagraphs 1) and 4)a) of paragraph A. of this exclusion do not apply to "bodily injury" or "property damage" caused by heat, smoke or fumes from a "hostile fire". As used in this Exclusion, a "hostile fire" means one which becomes uncontrollable, or breaks out from where it was intended to be.

### **2. Nuclear Energy Liability**

- a. Liability imposed by or arising under the Nuclear Liability Act.
- b. "Bodily injury" or "property damage" with respect to which an insured under this policy is also insured under a contract of nuclear energy liability insurance (whether the insured is unnamed in such contract and whether or not it is legally enforceable by the insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability.
- c. "Bodily injury" or "property damage" resulting directly or indirectly from the nuclear energy hazard arising from:
  - 1) the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an insured;
  - 2) the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility;
  - 3) the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an insured.

As used in this policy:

- 1) the term "nuclear energy hazard" means the radioactive, toxic, explosive, or other hazardous properties of radioactive material;
- 2) the term "radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances that the Atomic Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
- 3) the term "nuclear facility" means:

- a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
  - b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
  - c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
  - d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material;  
and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
- 4) the term "fissionable substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

### 3. War Risks

"Bodily injury" or "property damage" due to war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

### **SUPPLEMENTARY PAYMENTS - COVERAGES A, B, D AND E**

We will pay, with respect to any claim or "action" we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defence of the claim or "action", including actual loss of earnings up to \$100 a day because of time off from work.
- d. All costs taxed against the insured in the "action" and any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

### **SECTION II - WHO IS AN INSURED**

#### 1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners and their spouses are also insureds, but only with respect to the conduct of your business.
- c. An organization other than a partnership or joint venture, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

#### 2. Each of the following is also an insured:

- a. Your employees or your volunteers, other than your executive officers, but only for acts within the scope of their employment by you or, in the case of volunteers, within the scope of their duties assigned by you. However, except as provided in b. below, none of these employees or volunteers is an insured for:

- 1) "bodily injury" or "personal injury" to any person who at the time of injury is entitled to benefits under any workers compensation or disability benefits law or a similar law; or
- 2) "bodily injury" or "personal injury" arising out of his or her providing or failing to provide professional health care services; or
- 3) "property damage" to property owned or occupied by or rented or loaned to that employee or volunteer, any of your other employees or volunteers, or any of your partners or members (if you are a partnership or joint venture).

And no employee is an insured for bodily injury or personal injury to you or to a co-employee whilst in the course of their employment or service.

- b. Any member while participating in or training for a sanctioned sporting or social event.
  - c. Any person (other than your employees or volunteers), or any organization while acting as your real estate manager.
  - d. Any person or organization having proper temporary custody of your property if you die, but only:
    - 1) with respect to liability arising out of the maintenance or use of that property; and
    - 2) until your legal representative has been appointed.
  - e. 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 policy.
  - f. Municipalities, Government departments, sponsors and owners of facilities in whose name you have agreed to provide insurance are added as additional Insureds, but only for their vicarious liability arising out of your operations.
3. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - b. Coverage A and D does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal injury" or "advertising liability" arising out of an offence committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

### **SECTION III - LIMITS OF INSURANCE**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "actions" brought; or
  - c. Persons or organizations making claims or bringing "actions".
2. The Aggregate Limit is the most we will pay for the sum of:
  - a. Medical expenses under Coverage C;
  - b. Compensatory damages under Coverage B - Personal and Advertising Injury Liability;
  - c. Compensatory damages under Coverage E - Errors and Omissions Liability;
  - d. Compensatory damages under Coverage A - Bodily Injury and Property Damage Liability, arising out of the "products-completed operations hazard".

3. Subject to 2. above, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Compensatory damages under Coverage A and Coverage B; and
  - b. Medical expenses under Coverage C; because of all "bodily injury" and "property damage" arising out of any one "occurrence".
4. 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.
5. Subject to 3. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.
6. Subject to 2. above, the Errors and Omissions Liability Limit is the most we will pay under Coverage E for compensatory damages because of a "wrongful act".
7. All Loss Deductible Coverage A:  
 Bodily Injury and Property Damage, Legal Fees Expenses - Coverage A:  
 It is agreed that our obligation under Coverage A to pay compensatory damages on your behalf applies only to the amount of compensatory damages, legal fees and expenses in excess of the deductible amount stated in the Declarations. The deductible amount applies to all compensatory damages because of bodily injury, property damages, legal fees and expenses as the result of any one occurrence. The terms of the policy, including those with respect to (a) our rights and duties with respect to the defence of suits and (b) your duties in the event of occurrence, apply even though there is a deductible. We may pay any part or all of the deductible amount to settle any claim or suit, and upon notification of the action taken, you will promptly reimburse us for the part of the deductible amount that we have paid.
8. All Loss Deductible Coverage D (Tenants Legal Liability):  
 It is agreed that our obligation under this coverage to pay compensatory damages on your behalf because of "property damage" applies only to the amount of compensatory damages in excess of the deductible amount. The deductible amount applies to all compensatory damages because of property damage as the result of any one "occurrence". The terms of the policy including those with respect to (a) our rights and duties with respect to the defence of "actions" and (b) your duties in the event of an "occurrence", apply even although there is a deductible. We may pay any part or all of the deductible amount to settle any claim or "action" and, upon notification of the action taken, you will promptly reimburse us for the part of the deductible amount that we have paid.
9. All Loss Deductible Coverage E:  
 It is agreed that our obligation under Coverage E to pay compensatory damages on your behalf applies only to the amount of compensatory damages, legal fees and expenses in excess of the amount indicated in the Declarations. The deductible amount applies to all compensatory damages because of "wrongful act", legal fees and expenses as the result of any one occurrence. The terms of the policy, including those with respect to (a) our rights and duties with respect to the defence of suits and (b) your duties in the event of occurrence, apply even though there is a deductible. We may pay any part or all of the deductible amount to settle any claim or suit, and upon notification of the action taken, you will promptly reimburse us for the part of the deductible amount that we have paid.

The limits of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

1. **Bankruptcy**  
 Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.
2. **Canadian Currency Clause**  
 All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.

### 3. **Cancellation**

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - 1) 15 days before the effective date of cancellation if we cancel for non-payment of premium; or
  - 2) 30 days before the effective date of cancellation if we cancel for any other reason. In Quebec, if notice is mailed, cancellation takes effect 15 or 30 days after receipt of notice by the post office to which it is addressed depending upon the reason for cancellation. Proof of mailing will be sufficient proof of notice.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. The policy period will end on the date cancellation takes effect.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

### 4. **Changes**

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### 5. **Duties in the Event of Occurrence, Claim or Action**

- a. You must see to it that we are notified promptly of an "occurrence" which may result in a claim. Notice should include:
  - 1) how, when and where the "occurrence" took place; and
  - 2) the names and addresses of any injured persons and of witnesses.
- b. If a claim is made or "action" is brought against an insured, you must see to it that we receive prompt written notice of the claim or "action".
- c. You and any other involved insured must:
  - 1) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
  - 2) authorize us to obtain records and other information;
  - 3) cooperate with us in the investigation, settlement or defence of the claim or "action"; and
  - 4) assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this Insurance may also apply.
- d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### 6. **Examination of Your Books and Records**

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### 7. **Inspections and Surveys**

We have the right but are not obligated to:

- a. Make inspections and surveys at any time;
- b. Give you reports on the conditions we find; and
- c. Recommend any changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, code or standards.

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

### 8. **Legal Action Against Us**

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into an "action" asking for compensatory damages from an insured; or
- b. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for compensatory damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An "agreed settlement" means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative. Every "action" or proceeding against us shall be commenced within one year next after the date of such judgment or agreed settlement and not afterwards. If this policy is governed by the laws of Quebec every action or proceeding against us shall be commenced within three years from the time the right of action arises.

#### 9. **Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A, B or D of this policy, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. **Excess Insurance**

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- 1) that is Property Insurance such as, but not limited to, Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work" or for premises rented to you; or
- 2) if the loss arises out of the maintenance or use of watercraft to the extent not subject to Exclusion e. of Coverage A (Section I).

When this insurance is excess we will have no duty under Coverage A, B or D to defend any claim or "action" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to all the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- 1) the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- 2) the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this policy.

c. **Method of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each Insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all Insurers.

#### 10. **Premium Audit**

- a. We will compute all premiums for this policy in accordance with our rules and rates.
- b. Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured subject to the retention of the minimum premium shown in the Declarations of this policy.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

#### 11. **Premiums**

The first Named Insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

**12. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**13. Separation of Insureds, Cross Liability**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "action" is brought.

**14. Transfer of Rights of Recovery Against Others to Us**

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

**15. Transfer of Your Rights and Duties Under this Policy**

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

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have the rights and duties but only with respect to that property.

**SECTION V - DEFINITIONS**

1. "Action" means a civil proceeding in which compensatory damages because of "bodily injury", "property damage" or "personal injury" to which this insurance applies are alleged. "Action" includes an arbitration proceeding alleging such damages to which you must submit with our consent.
2. "Advertising Injury" means injury arising out of one or more of the following offences:
  - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - b. Oral or written publication of material that violates a person's right of privacy;
  - c. Misappropriation or advertising ideas of style of doing business;
3. "Automobile" means any self-propelled land motor vehicle, trailer or semi-trailer (including machinery, apparatus or equipment attached thereto) which is principally designed and is being used for transportation of persons or property on public roads.
4. "Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
5. "Coverage territory" means:
  - a. Canada and the United States of America (including its territories and possessions);
  - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
  - c. All parts of the world if:
    - 1) the injury or damage arises out of:
      - a) goods or products made or sold by you in the territory described in a. above; or
      - b) the activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
    - 2) the Insured's responsibility to pay compensatory damages is determined in an "action" on the merits, in the territory described in a. above or in a settlement we agree to in writing.



6. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of the contract or agreement; if such property can be restored to use by:
    - 1) the repair, replacement, adjustment or removal of "your product" or "your work"; or
    - 2) you have failed to fulfill the terms of a contract or agreement.
7. "Insured Contract" means:
  - a. A lease of premises;
  - b. A sidetrack agreement;
  - c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
  - d. Any other easement agreement;
  - e. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
  - f. An elevator maintenance agreement; or
  - g. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay compensatory damages because of "bodily injury" or "property damage" to a third person or organization, if the contract or agreement is made prior to the "bodily injury" or "property damage". Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An "insured contract" does not include that part of any contract or agreement:

  - 1) that indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - a) preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
    - b) giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
  - 2) under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failing to render professional services, including those listed in 1) above and supervisory, inspection or engineering services.
8. "Occurrence" means accident, including continuous or repeated exposure to substantially the same general harmful condition.
9. "Personal Injury" means injury, other than "bodily injury", arising out of one or more of the following offences:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
  - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
  - e. Oral or written publication of material that violates a person's right of privacy.
10. a. "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except
  - 1) products that are still in your physical possession; or
  - 2) work that has not yet been completed or abandoned.
- b. "Your work" will be deemed completed at the earliest of the following times:
  - 1) when all of the work called for in your contract has been completed;
  - 2) when all of the work to be done at the site has been completed if your contract calls for work at more than one site;
  - 3) when that part of work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- c. This hazard does not include "bodily injury" or "property damage" arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

11. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property; or
  - b. Loss of use of tangible property that is not physically injured.
12. "Wrongful Act" means:
- a. Any actual or alleged error, misstatement, or misleading statement by an insured;
  - b. Any actual or alleged act, omission, neglect or breach of duty by an insured.
- A "wrongful act" does not include any activity of an insured who is a member of a licensed or certified profession where such activity is related to the practice of such profession, whether on a voluntary basis or otherwise.
13. "Your product" means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
    - 1) you;
    - 2) others trading under your name; or
    - 3) a person or organization whose business or assets you have acquired; and
  - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- "Your product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.
- "Your product" does not include vending machines or other property rented to or located for the use of others but not sold.
14. "Your work" means:
- a. Work or operations performed by you or on your behalf; and
  - b. Materials, parts or equipment furnished in connection with such work or operations.
- "Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.

## **STANDARD NON-OWNED AUTOMOBILE POLICY (S.P.F. 6)**

WITH RESPECT TO VEHICLES USED IN THE INSURED'S BUSINESS:

### **SECTION A – THIRD PARTY LIABILITY**

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

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

Provided always the Insurer shall not be liable under this policy:

- a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or
  - b) \* for any liability imposed upon any person insured by this policy:
    - 1. by any workmen's compensation law; or
    - 2. by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or
  - c) for any liability assumed by any person insured by this policy voluntarily under any contract or agreement unless it is in written form; 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 such person; or
  - e) for any amount in excess of the limit stated in the Liability Schedule and expenditures provided for in the Additional Agreements of this policy; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.
- \* Not applicable in the Province of Ontario.

#### **ADDITIONAL AGREEMENTS OF INSURER**

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

- 1. upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and
- 2. to defend in the name and on behalf of any person insured by this policy and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- 3. to pay all costs taxed against any person insured by this policy in any civil action defended by the Insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limits of the Insurer's liability; and
- 4. in case the injury be to a person, reimburse any person insured by this policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and

5. be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than stated in the Liability Schedule; and
6. not set up any defense to a claim that might not be set up if the policy were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

**This Policy is valid only when attached to and forming part of one of the Insurer's standard policies providing liability insurance.**

#### **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 in 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 the Liability Schedule, any automobile not owned in whole or in part by or licensed in the name of the (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 the Liability Schedule 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 the Liability Schedule 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 one automobile as respects limits of liability under Section A.

##### **6. PREMIUM ADJUSTMENT**

The Advance Premium stated in the Liability Schedule is computed on:

1. 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, and
2. 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.

7. LIMITS OF LIABILITY

Non-Owned Automobile

Each accident: The Limit of Liability stated in the Declarations for Non-Owned Automobiles as applicable to "each accident" is the limit of the Insurer's liability (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.

**STATUTORY CONDITIONS**

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

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

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

- in the Yukon Territory, the following additional section appears:  
"With respect to Section B only Statutory Conditions 1, 8 and 9 shall apply."
- in Prince Edward Island, the wording is contained in sub-condition (1) of Condition 1.
- in Alberta, the following additional sentence appears:  
"Statutory Conditions 2, 3, 4, 5, 6 and 7 shall not apply to Section B – Accident Benefits."
- in the Northwest Territories, there is an additional wording reading:  
"and the words 'insured person' mean an Insured and includes any person to whom benefits may be payable under the Accident Benefits set out in the schedule to the Insurance Ordinance. With respect to Section B only Statutory Conditions 1, 8 and 9 shall apply."

**MATERIAL CHANGE IN RISK**

1.
  - 1) The Insured name in this contract shall promptly notify the Insurer or its local agent in writing of any change in the risk material to the contract and within his knowledge.
  - 2) Without restricting the generality of the foregoing, the words "change in the risk material to the contract" include:
    - a) any change in the insurable interest of the Insured named in this contract in the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings under the Bankruptcy Act (Canada); and in respect of insurance against loss or damage to the automobile;
    - b) any mortgage, lien or encumbrance affecting the automobile after the application for this contract;
    - c) any other insurance of the same interest, whether valid or not, covering loss or damage insured by this contract or any portion thereof.

**NOTE:** In Prince Edward Island Statutory Condition, sub-conditions 2 and 4 are identical with the above quoted Statutory Condition relating to material change in risk.

**PROHIBITED USE BY INSURED**

2. (1) The Insured shall not drive or operate the automobile,
- a) unless he is for the time being either authorized by law or qualified to drive or operate the automobile; or
  - b) while his licence to drive or operate an automobile is suspended or while his right to obtain a licence is suspended or while he is prohibited under order of any court from driving or operating an automobile; or
  - c) while he is under the age of sixteen years or under such other age as is prescribed by the law of the province in which he resides at the time this contract is made as being the minimum age at which licence or permit to drive an automobile may be issued to him; or
  - d) for any illicit prohibited trade or transportation; or
  - e) in any race or speed test.

**PROHIBITED USE BY OTHERS**

- (2) The Insured shall not permit, suffer, allow or connive at the use of the automobile,
- a) by any person
    - i. unless that person is for the time being either authorized by law or qualified to drive or operate the automobile; or
    - ii. while that person is under the age of sixteen or under such other age at which a licence or permit to drive an automobile may be issued to him; or
  - b) by any person who is a member of the household of the Insured while his licence to drive or operate an automobile is suspended or while his right to obtain a licence is suspended or while he is prohibited under order of any court from driving or operating an automobile; or
  - c) for any illicit or prohibited trade or transportation; or
  - d) in any race or speed test.

**REQUIREMENTS WHERE LOSS OR DAMAGE TO PERSONS OR PROPERTY**

3. (1) The Insured shall:
- a) promptly give to the Insurer written notice, with all available particulars, of any accident involving loss or damage to persons or property and of any claim made on account of the accident;
  - b) verify by statutory declaration, if required by the Insurer, that the claim arose out of the use or operation of the automobile and that person operating or responsible for the operation of the automobile at the time of the accident is a person insured under this contract; and
  - c) forward immediately to the Insurer every letter, document, advice or writ received by him from or on behalf of the claimant.
- (2) The Insured shall not:
- a) voluntarily assume any liability or settle any claim except at his own cost; or
  - b) interfere in any negotiations for settlement or in any legal proceeding.
- (3) The Insured shall, whenever requested by the Insurer, aid in securing information and evidence and the attendance of any witness and shall co-operate with the Insurer, except in a pecuniary way, in the defence of any action or proceeding or in the prosecution of any appeal.

#### **REQUIREMENTS WHERE LOSS OR DAMAGE TO AUTOMOBILE**

4. (1) Where loss or damage to the automobile occurs, the Insured shall, if the loss or damage is covered by this contract,
- a) promptly give notice thereof in writing to the Insurer with the fullest information obtainable at the time;
  - b) at the expense of the Insurer, and as far as reasonably possible, protect the automobile from further loss or damage; and
  - c) deliver to the Insurer within ninety (90) days after the date of the loss or damage a statutory declaration stating, to the best of his knowledge and belief, the place, time, cause and amount of the loss or damage, the interest of the Insured and of all others therein, the encumbrances thereon, all other insurance, whether valid or not, covering the automobile and that the loss or damage did not occur through any wilful act or neglect, procurement, means or connivance of the Insured.
- (2) Any further loss or damage accruing to the automobile directly or indirectly from a failure to protect it as required under sub-condition (1) of this condition is not recoverable under this contract.
- (3) No repairs, other than those that are immediately necessary for the protection of the automobile from further loss or damage, shall be undertaken and no physical evidence of the loss or damage shall be removed,
- a) without written consent of the Insurer; or
  - b) until the Insurer has had a reasonable time to make the examination for which provision is made in Statutory Condition 5.

#### **Examination of Insured**

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

#### **Insurer Liable for Cash Value of Automobile**

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

#### **Repair or Replacement**

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

#### **No Abandonment; Salvage**

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

#### **In Case of Disagreement**

- (8) In the event of disagreement as to the nature and extent of the repairs and replacements required, or as to their adequacy, if effected, or as to the amount payable in respect of any loss or damage, those questions shall be determined by the appraisal as provided under The Insurance Act (in Newfoundland, The Insurance Contracts Act) before there can be recovery under this contract, whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

**INSPECTION OF AUTOMOBILE**

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

**TIME AND MANNER OF PAYMENT OF INSURANCE MONEY**

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

**When Action May be Brought**

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

**Limitation of Actions**

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

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

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

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

**WHO MAY GIVE NOTICE AND PROOFS OF CLAIM**

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

**TERMINATION**

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



- (4) The refund may be made by money, postal or express company money order or cheque payable at par.
- (5) The fifteen days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

NOTE: In the Northwest Territories, paragraph (a) of sub-condition 1 has the following words added:  
"and by notifying the registrar of motor vehicles as required by the Vehicles Ordinance".

**NOTICE**

- 9. Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the Province. Written notice may be given to the Insured named in this contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

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

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

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

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

The term "Hired Automobiles" as used in this policy means (a) automobiles hired or leased from others with drivers or (b) hired or leased by the Named Insured from others without driver for periods not exceeding thirty (30) days, used under the control of the Insured in the business stated in the Liability Schedule 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.

**O.E.F. 98B****REDUCTION OF COVERAGE FOR LESSEES OR DRIVERS OF LEASED VEHICLES ENDORSEMENT  
(for attachment only to the Standard Non-Owned Automobile Policy S.P.F. No. 6)****1. Purpose of this endorsement:-**

This endorsement alters the coverage provided by this policy with respect to claims in Ontario for loss or damage arising directly or indirectly from the use or operation of a motor vehicle that is leased

**2. How the policy coverage is changed:-**

The Insurer also agrees to pay on behalf of every partner, officer or employee of the Insured who, in the business of the Insured stated in Item 3 of the application, leases an automobile for a period of not more than 30 days in their own name, all sums which such partner, officer or employee is legally obligated to pay as a result of liability imposed by law arising from the negligence of the driver of such leased automobile(s)

The insurance provided under this policy with respect to leased automobiles is in excess of the underlying coverage available to the Insured or to the partner, officer or employee of the Insured.

Underlying coverage available to the Insured or to the partner, officer or employee of the Insured includes any motor vehicle liability insurance that is required to respond to the liability of the driver or lessee of the leased automobile.

The terms leased, lease and lessee are used as equivalent to rented, rent and renter.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

## **BULLETIN**

### **Standard Non-Owned Automobile Policy S.P.F. No. 6 Attachment O.E.F. 98B**

Dear Lloyd's customer,

There have been some legislative changes in Ontario affecting rented or leased automobiles.

The Ontario Bill 18 2005, effective March 1, 2006, limits the liability of leasing and rental car companies for claims arising from leased or rented automobiles that are the fault of the person leasing or renting the automobile.

As a result of this legislation, when you lease or rent an automobile, any bodily injury or property damage for which you or the driver of the automobile you rented or leased are responsible, is now payable by your insurance, and if your insurance does not cover the loss, then the insurance of the driver will apply.

The insurance of the leasing or rental company will respond only if there is no insurance available to you or your driver. Further, the liability of the leasing or rental car company for bodily injury for which you or your driver is responsible is limited to \$1,000,000 (except for automobiles used as a taxicab, livery vehicle or limousine for hire).

The Financial Services Commission of Ontario (FSCO) has now approved policy forms for commercial policies to recognize the changes made with Bill 18. One of the newly approved forms is the OEF 98B – Reduction of Coverage for Lessees or Drivers of Leased Vehicles Endorsement. The OEF 98B is now added to your policy, as an endorsement to the SPF 6, Non-Owned Automobile Policy. The OEF 98B makes the Non-Owned Automobile Policy, which has always been a contingent coverage, excess of any other insurance available to you or your driver, other than the insurance of the leasing or rental car company.

Please read your renewal policy documents carefully. We strongly recommend that you contact your broker for a full explanation of the changes made by Bill 18. Information can also be obtained from the FSCO website <http://www.fSCO.gov.on.ca/english/pubs/bulletins/autobulletins/>.

We would like to thank you for choosing us as your insurance provider.

## ENDORSEMENTS

Attached to and forming part of Policy Number	Insured	Effective Date
AL6087	ATHLETICS ONTARIO	APRIL 1, 2020

### INCIDENTAL MEDICAL MALPRACTICE LIABILITY

In consideration of an additional premium of \$      included      , it is agreed that the definition of bodily injury is extended to include the following:-

Injury arising out of the rendering of or failure to render, during the policy period, the following services:-

- (1) medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of food or beverages in connection therewith; or
- (2) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

This coverage does not apply to:-

- (a) expenses incurred by you for first aid to others at the time of an occurrence; **Condition (5) Your Duties in the Event of Occurrence, Claim or Action is amended accordingly;**
- (b) any insured engaged in the business or occupation of providing any of the services described under (1) and (2) above.

AS01 - FL (09/2013)



**Endorsement Ref :**      SANCT

**Sanction Limitation**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

In consideration of the premium charged, it is agreed that the policy is amended by adding the following:

It is understood and agreed that the insurer will not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade and economic sanctions, laws, or regulations of Canada, United Kingdom, European Union or United States of America.

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

**Dated:** January 16, 2020

## **VOLUNTARY COMPENSATION COVERAGE FORM**

Various provisions in this Coverage Form restrict coverage. Read the entire Coverage Form carefully to determine the rights, duties and what is and is not covered.

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Form. 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 WHO IS AN INSURED (SECTION II).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (SECTION V).

### **SECTION I - COVERAGE**

#### **1. Insuring Agreement.**

- a. We offer to pay the benefits described in BENEFITS (SECTION III) to your "covered employee" if that "covered employee" sustains "bodily injury" to which this insurance applies. We will make this offer to pay even though you are legally liable for the "bodily injury".

If your "covered employee" rejects these benefits or brings an "action" against you, we may withdraw our offer.

A "covered employee" who accepts these benefits must sign a release giving up any right to bring an "action" against you.

- b. This insurance applies to "bodily injury" only if:

- 1) The "bodily injury" is caused by an accident that takes place while the "covered employee" is performing duties for you in the "coverage territory";
- 2) The "bodily injury" occurs during the policy period;
- 3) The injured "covered employee" submits to physical examination, at our expense, by physicians of our choice as often as we reasonably require; and
- 4) The injured "covered employee" authorizes us to obtain medical and other records.

Provided that in the event of death, we can require an autopsy before we make payment.

#### **2. Exclusions.**

This insurance does not apply to:

- a. Any obligation of the insured under a workers compensation or occupational disease law, or any similar law.
- b. "Bodily injury" intentionally caused or aggravated by you.
- c. "Bodily injury" involving any hernia injury.
- d. "Bodily injury" due to war, invasion, act of foreign enemy, hostilities, (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

### **SECTION II - WHO IS AN INSURED**

If you are designated in the Declarations as:

1. An individual, you are an insured, but only with respect to the conduct of a business of which you are the sole owner.
2. A partnership or joint venture, you are an insured. Your partners or your members are also insureds, but only in their capacity as an employer of the partnership's or Joint venture's employees.
3. An organization other than a partnership or joint venture, you are an insured.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

### SECTION III - BENEFITS

The rules below fix the schedule of benefits applicable to this Coverage Form.

1. Loss of Life.

If your "covered employee" dies from "bodily injury" sustained in the accident within 26 weeks of the date of accident, we will pay:

- a. To those persons who are wholly dependent upon your "covered employee", a total of 100 times the "weekly indemnity". We will make this payment in addition to any benefit described in 3. below paid up to the date of death.
- b. Actual funeral expenses up to \$1,000.

2. Permanent Total Disability.

If your "covered employee" becomes permanently and totally disabled from "bodily injury" sustained in the accident within 26 weeks of the date of accident and cannot work at any job, we will pay "weekly indemnity" for 100 weeks. We will make this payment in addition to any benefit described in 3. below.

3. Temporary Total Disability.

If your "covered employee" temporarily becomes totally disabled from "bodily injury" sustained in the accident within 14 days of the date of accident and cannot work at any job, we will pay "weekly indemnity" up to 26 weeks while such disability continues. We will not pay for the first seven days of disability unless the disability lasts for six weeks or more.

4. Injury Benefits.

If, as the result of an accident, your "covered employee" suffers the loss of, or permanent loss of use of any of the following body parts within 26 weeks of the date of accident, we will pay "weekly indemnity" for the number of weeks shown. These benefits will be paid in addition to any benefit described in 3. above and for not more than 100 times the "weekly indemnity".

<u>Body Part:</u>	<u>No. of Weeks</u>
a. Arm:	
1) At or above elbow; or	100
2) Below elbow; or	80
b. Hand at wrist; or	80
c. 1) Thumb:	
a) At or above the second phalangeal joint; or	25
b) Below the second phalangeal joint, involving a portion of the second phalange	18
2) Index finger:	
a) At or above the second phalangeal joint; or	25
b) At or above the third phalangeal joint; or	18
c) Below the third phalangeal joint, involving a portion of the third phalange	12
3) Any other finger:	
a) At or above the second phalangeal joint; or	15
b) At or above the third phalangeal joint; or	8
c) Below the third phalangeal joint, involving a portion of the third phalange	5
d. Leg:	
1) At or above the knee; or	100
2) Below the knee; or	75
e. Foot at ankle; or	75
f. 1) Great toe:	
a) At or above the second phalangeal joint; or	15
b) Below the second phalangeal joint, involving a portion of the second phalange	8
2) Any other toe:	
a) At or above the second phalangeal joint; or	10
b) At or above the third phalangeal joint; or	5
c) Below the third phalangeal joint, involving a portion of the third phalange	3

g.	1) One eye; or	50
	2) Both eyes.	100
h.	1) Hearing of one ear; or	25
	2) Hearing of both ears.	100

For any combination of two or more body parts described in c. above, we will not pay more than 80 times the "weekly indemnity".

For any combination of two or more body parts described in f. above, we will not pay more than 35 times the "weekly indemnity".

5. Medical Expenses.

If, as a result of the accident, your "covered employee" incurs medical expenses including surgical, pharmaceutical, dental, hospital, nursing or ambulance expenses within 29 weeks following the date of accident, we will pay up to \$5,000 of such expenses. We will make this payment in addition to all other benefits.

We will pay for the cost of supplying or renewing prosthetic or orthopaedic appliances made necessary by the accident, for up to 52 weeks after the date of accident, up to a maximum of \$10,000.

We will not pay medical expenses which are recoverable from other insurance plans.

#### **SECTION IV - VOLUNTARY COMPENSATION CONDITIONS**

1. Bankruptcy.

Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of our obligations under this Coverage Form.

2. Duties In The Event Of Accident, Claim Or Action.

a. You must see to it that we are notified promptly of an accident which may result in a claim. Notice should include:

- 1) How, when and where the accident took place;
- 2) The names and addresses of your injured "covered employee", and of witnesses; and
- 3) The nature of any "bodily injury" sustained by your "covered employee" as a result of the accident.

b. If a claim is made or "action" is brought against any insured, you must:

- 1) Immediately record the specifics of the claim or "action" and the date received; and
- 2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "action" as soon as practicable.

c. You and any other involved insured must:

- 1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
- 2) Authorize us to obtain records and other information;
- 3) Cooperate with us in the investigation or settlement of the claim or "action"; and
- 4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured or to your "covered employee" because of "bodily injury" to which this insurance may also apply.

d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us.

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into an "action" asking for damages from an insured; or
- b. To sue on this Coverage Form unless all of its terms have been fully complied with.



Every "action" or proceeding against us shall be commenced within one year from the time the right of "action" arises. If this policy is governed by the law of Quebec, every "action" or proceeding against us shall be commenced within three years from the time the right of "action" arises.

4. Other Insurance.

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Form, we will not pay more than our share of the loss covered by this insurance and other insurance. We will share the loss by equal shares. Subject to any limits of liability that apply, each insurer will contribute equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any insurance is exhausted, the shares of all remaining insurance will be equal until none of the loss remains.

5. Premium Audit.

- a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.
- b. Premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured, subject to the retention of the minimum premium shown in the Declarations of this Coverage Form.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations.

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds.

Except with respect to the benefits and any rights or duties specifically assigned in this Coverage Form to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "action" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us.

If the insured or your "covered employee" has rights to recover all or part of any payment we have made under this Coverage Form those rights are transferred to us. At our request, the insured will bring "action" or transfer those rights to us and help us enforce them.

## **SECTION V - DEFINITIONS**

1. "Action" means a civil proceeding in which compensatory damages because of "bodily injury" to which this insurance applies are alleged. "Action" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
2. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
3. "Coverage territory" means Canada.
4. "Covered employee" means your employee who:
  - a. Is not eligible for mandatory coverage under a federal, provincial or territorial workers compensation law; and
  - b. Cannot elect to come under a federal, provincial or territorial workers compensation law.
5. "Weekly indemnity" means two-thirds of your "covered employee's" weekly wage at the date of the accident, subject to a maximum of \$250 per week.

**ENDORSEMENTS**

Attached to and forming part of Policy Number	Insured	Effective Date
AL6087	ATHLETICS ONTARIO	APRIL 1, 2020

**NAMED INSURED**

It is understood and agreed that the named insured shall read as follows:-

Athletics Ontario and All Clubs Registered in Good-Standing with Athletics Ontario

**ENDORSEMENTS**

Attached to and forming part of Policy Number	Insured	Effective Date
AL6087	ATHLETICS ONTARIO	APRIL 1, 2020

**ABUSE LIMITATION ENDORSEMENT**

It is understood and agreed that notwithstanding anything herein contained to the contrary, the limit of insurance for each occurrence and aggregate limit (Coverage A) is reduced to \$5,000,000.00 with respect to abuse or molestation.

**S.E.F. No. 94**  
**LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES ENDORSEMENT**  
**(for attachment only to a Non-owned Policy S.P.F. No. 6)**

In consideration of the premium herein stated, it is understood and agreed that the policy to which this endorsement is attached is extended, subject always to the condition that the Insurer shall be liable under the subsection or subsections of the Insuring Agreement hereof for which a premium is stated and no other.

**SECTION B - LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILE**

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

Subsection 1 - ALL PERILS - from all perils;

Subsection 2 - COLLISION OR UPSET - caused by collision with another object or by upset;

Subsection 3 - COMPREHENSIVE - from any peril other than by collision with another object or by upset;

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

Loss or damage caused by missiles, falling or flying objects, fire, theft, explosion, earthquake, windstorm, hail, rising water, malicious mischief, riot or civil commotion shall be deemed loss or damage for which insurance is provided under this subsection 3.

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

**DEDUCTIBLE CLAUSE**

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

**TWO OR MORE AUTOMOBILES**

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

**EXCLUSIONS**

The Insurer shall not be liable

1) for loss or damage to any automobile while personally driven by the Insured if the Insured is an individual; or

2) under any subsection hereof for loss or damage

a) to tires or consisting of or caused by mechanical fracture or breakdown of any part of an automobile or by rusting, corrosion,

wear and tear, freezing or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or

damage covered by such subsection or is caused by fire, theft or malicious mischief covered by such subsection; or

b) to any automobile while being used without the consent of the owner thereof; or

c) caused directly or indirectly by contamination by radioactive 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.

**SUBSECTION LIMITS AND DEDUCTIBLE**

1. ALL PERILS	LIMITS:	\$ 50,000.00	(exclusive of interests and costs) any one Accident
	DEDUCTIBLE	\$ 1,000.00	TERM: APRIL 1, 2020 – APRIL 1, 2021

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

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

## **DATA EXCLUSION ENDORSEMENT**

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Commercial General Liability Policy.

This insurance does not apply to any liability for:

- erasure, destruction, corruption, misappropriation, misinterpretation of "Data";
- erroneously creating, amending, entering, deleting or using "Data";

including any loss of use arising therefrom.

Additionally, this insurance does not apply to any "personal injury" or "advertising injury", if otherwise insured, arising out of the distribution or display of "Data", by means of an internet website, the internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of "Data".

Further, wherever used in this endorsement the term "Data" means representations of information or concepts, in any form.

All other terms and conditions remain unchanged.

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

### **TERRORISM EXCLUSION ENDORSEMENT**

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Commercial General Liability Policy.

1. This Policy does not apply to "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".
2. If Errors & Omissions Liability is included in the policy to which this endorsement is applicable, then this policy does not apply to loss, as defined in the said forms, 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 such loss.
3. The following definition is added:

Wherever used in this endorsement, or wherever used in any other endorsement or in any policy to which this endorsement is applicable, "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.

All other terms and conditions remain unchanged.

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

## **ASBESTOS EXCLUSION**

This endorsement modifies the coverage provided in those forms on the "Declarations Page" under the Commercial General Liability Policy.

- 1) This insurance shall not apply to and does not cover any actual or alleged "bodily injury", "property damage", "personal injury" or Medical Payments or any other cost, loss or expense directly or indirectly caused by, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.
- 2) If Errors & Omissions Liability is included in the policy to which this endorsement is applicable, then this insurance shall not apply to and does not cover any actual or alleged "wrongful act", as defined in the said forms, or any other cost, loss or expense directly or indirectly caused by, resulting from or 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", "personal injury", Medical Payments, "wrongful act" or any other cost, loss or expense.

All other terms and conditions remain unchanged.



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

## **FUNGI & FUNGAL DERIVATIVES EXCLUSION ENDORSEMENT**

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Commercial General Liability Policy.

- 1) This insurance shall not apply to:
  - a. "bodily injury", "property damage", "personal injury" or Medical Payments 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"; or
  - b. any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or
  - c. any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a. or b. above.

This exclusion applies regardless of the cause of the loss or damage, other causes of the injury, damage, expense or costs or whether other causes acted concurrently or in any sequence to produce the injury, damage, expenses or costs.

This exclusion shall not apply to "bodily injury" or "property damage" which results directly from:

1. a "products-completed operations hazard" not otherwise excluded by this policy;

**The most we will pay under this exception for all "bodily injury" and "property damage" in any policy period is \$250,000.**

**The Limit of Insurance provided by this exception shall be included in and is not in addition to any other Limits of Insurance provided for "bodily injury" or "property damage" under the Liability section of this policy.**

- 2) If Errors & Omissions Liability is included in the policy to which this endorsement is applicable, then this policy does not apply to:
  - a. "wrongful act", as defined in the said forms, 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"; or
  - b. any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or
  - c. any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a. or b. above.

This exclusion applies regardless of the cause of the loss or damage, other causes of the injury, damage, expense or costs or whether other causes acted concurrently or in any sequence to produce the injury, damage, expenses or costs.

For the purpose of this endorsement, the following definitions are added:

"Fungi" includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "Fungi" or "Spores" or resultant mycotoxins, allergens, or pathogens.

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

**COMMERCIAL BUILDING, EQUIPMENT AND STOCK  
BROAD FORM**

**WORDS AND PHRASES IN QUOTATION HAVE SPECIAL MEANING AS  
DEFINED IN CLAUSE 19**

**1. INDEMNITY AGREEMENT**

In the event that any of the property insured be lost or damaged by the perils insured against, the Insurer will indemnify the Insured against the direct loss so caused to an amount not exceeding whichever is the least of:

- a) The actual cash value of the property at the time of loss or damage;
- b) The interest of the insured in the property;
- c) The amount of the insurance specified on the "Declarations Page" in respect of the property lost or damaged.

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

**2. PROPERTY INSURED**

- A) This form insures the following property but only those items for which an amount of insurance is specified on the "Declarations Page":

"BUILDING"  
"EQUIPMENT"  
"STOCK"  
"ALL PROPERTY"  
"CONTENTS"

The Insurance in this Clause 2.A. applies only while at the location(s) specified on the "Declarations Page".

- B) This form also insures "Building", "Equipment", "Stock" and "Contents" but only those Items for which an amount of Insurance is specified on the "Declarations Page".

TEMPORARY LOCATIONS: "Building", "Equipment", "Stock" and "Contents" other than at a specified location except while in transit, but there shall be no liability under this item at any location owned, rented or controlled in whole or in part by the Insured.

NEWLY ACQUIRED LOCATION: "Building", "Equipment", "Stock" and "Contents" at any acquired location that is owned, rented or controlled by the insured in whole or in part or in or on vehicles within 100 metres of such location. This limit of insurance 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 whichever first occurs.

PARCEL POST: "Equipment", "Stock", and "Contents" in any one package in course of transit by parcel post.

OTHER TRANSIT: "Equipment", "Stock" and "Contents" in transit other than by parcel post.

SALESMAN'S SAMPLES: "Equipment", "Stock" and "Contents" whether in transit or otherwise, in the custody of a sales representative of the Insured.

The insurance in this Clause 2.B. applies only while the described property is within Canada and the continental United States of America (excluding Alaska).

### **3. DEDUCTIBLE**

The insurer is liable for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount of the deductible specified on the "Declarations Page" in any one occurrence.

### **4. CO-INSURANCE**

This clause applies separately to each Item for which a co-insurance percentage is specified on the "Declarations Page" and only where the total loss exceeds the lesser of 2% of the applicable amount of insurance or \$5,000.

The Insured shall maintain insurance concurrent with this form on the property insured to the extent of at least the amount produced by multiplying the actual cash value of the property by the co-insurance percentage specified on the "Declarations Page", and failing so to do, shall only be entitled to recover 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.

### **5. PERILS INSURED**

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

### **6. EXCLUSIONS**

#### **A) PROPERTY EXCLUDED**

This form does not insure loss of or damage to:

- a) Sewers, drains or watermain located beyond the outside bearing walls or foundations of the property insured, outside communication towers, antennae (including satellite receivers) and equipment attached thereto, streetclocks, exterior signs, exterior glass or vitrolite and lettering or ornamentation thereon, but this exclusion does not apply to loss or damage caused directly by "Named Perils";
- b) Property at locations which to the knowledge of the Insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- c) Electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in Clause 19(h) ensues and then only for such ensuing loss or damage;
- d) Growing plants, trees, shrubs or flowers all while in the open except as provided in the Extensions of Coverage Clause 7(e);
- e) Animals, fish or birds, but this exclusion does not apply to loss or damage caused directly by "Named Perils" or from theft or attempt thereat;
- f) Money, bullion, precious metals and alloys, securities, stamps, tickets and tokens, evidence of debt or title;
- g) Automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property, but this exclusion shall not apply to watercraft, amphibious or air cushion vehicles held for sale, unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "premises" of the Insured;
- h) Furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, precious and semi-precious stones, and pre-recorded video tapes but this exclusion does not apply to:
  - (i) the first one thousand dollars (\$1,000) of any loss insured herein;
  - (ii) any loss or damage caused directly by "Named Perils";
- i) Property insured under the terms of any Marine Insurance, and property while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation;

- j) Property on loan or on rental or sold by the Insured under conditional sale, installment payment or other deferred payment plan, from the time of leaving the Insured's custody, but this exclusion does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured;
- k) Property in the custody of a sales representative outside the "premises" of the Insured, unless an amount of insurance is shown on the "Declarations Page" pertaining to "Salesman's Samples";
- l) Property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- m) (i) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
- (ii) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimeters (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, but this exclusion does not apply to:

- (1) manually portable gas cylinders;
- (2) explosion of natural, coal or manufactured gas;
- (3) explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.

#### B) PERILS EXCLUDED

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

- a) By earthquake, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment, all as described in Clause 19(h);
- b) By flood, including waves, tides, tidal waves, tsunamis or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made, but this exclusion does not apply to ensuing loss or damage which results directly from fire, explosion, smoke, leakage from fire protective equipment, all as described in Clause 19(h) or leakage from a watermain;

exclusions (a) and (b) do not apply to property in transit;

- c) (i) by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings therein, foundations, basement floors, sidewalks, sidewalk lights, or by the backing up of sewers, sumps, septic tanks or drains, unless concurrently and directly caused by a peril not otherwise excluded in Clause 6.B. hereof;
- (ii) by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a peril not otherwise excluded in Clause 6.B. hereof;
- d) by centrifugal force, mechanical or electrical breakdown or derangement in or on the "premises", unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
- e) by dampness or dryness of atmosphere, changes of temperature, contamination, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by "Named Perils", rupture of pipes or breakage of apparatus not excluded under paragraph (m) of Clause 6.A. hereof, theft or attempt thereat or accident to transporting conveyance. Damage to pipes caused by freezing is insured provided such pipes are not excluded in paragraph (m) of Clause 6.A. hereof;
- f) by smoke from agricultural smudging or industrial operations;

- g) by rodents, Insects or vermin, but this exclusion does not apply to the loss or damage caused directly by a peril not otherwise excluded in Clause 6-B. hereof;
  - h) by delay, loss of market, or loss of use or occupancy;
  - i) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
  - j) (i) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law mandatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;  
(ii) by contamination by radioactive material;
  - k) By any dishonest or criminal act on the part of the Insured or any other party of interest employees or agents of the Insured, or any person to whom the property may be entrusted (bailees for hire excepted), but this exclusion does not apply to physical damage, caused directly by employees of the Insured, which results from a peril otherwise insured and not otherwise excluded under this form;
  - l) to "buildings" by:
    - (i) snowslide, landslide, subsidence or other earth movement, except for ensuing loss or damage which results directly from fire explosion, smoke or leakage from fire protective equipment, all as described in Clause 19(h);
    - (ii) explosion (except with respect to explosion of natural, coal, or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the insured, unless fire ensues and then only for the loss or damage caused directly by such ensuing fire:
      - a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
      - b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such-pressure;
      - c) other vessels and apparatus and pipes connected therewith while under pressure, 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 from the explosion of manually portable as cylinders or of tanks having an internal diameter of 610 millimetres (34 inches) or less used for the heating and storage of hot water for domestic use;
      - d) moving or rotating machinery or parts thereof;
      - e) any vessels and apparatus and pipes connected therewith while undergoing pressure tests but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;
      - f) gas turbines;
    - (iii) settling, expansion, contraction, moving, shifting or cracking unless concurrently and directly caused by a peril not otherwise excluded in Clause 6.B) hereof;
  - m) 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.
- NOR DOES THIS FORM INSURE:
- n) Wear and tear, gradual deterioration, latent defect, inherent vice, or the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design, provided, however, to the extent otherwise insured and not otherwise excluded under this form, resultant damage to the property is insured;
  - o) Mysterious disappearance or shortage of "equipment" or "stock" disclosed on taking inventory;

- p) Loss or damage sustained to "equipment" or "stock" while actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of "equipment" or "stock", unless fire or explosion as described in Clause 19(h) ensues and then only for such ensuing loss or damage;
- q) Disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning.

#### C) POLLUTION EXCLUDED

This form does not insure against:

- a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal seepage leakage, migration, release or escape of "pollutants", nor the cost or expense or any resulting "clean up", but this exclusion does not apply:
  - (i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this form;
  - (ii) to loss or damage caused directly by a peril not otherwise excluded under this form;
- b) cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

#### 7. EXTENSIONS OF COVERAGE

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

- a) Removal: If any of the insured property is necessarily removed from the location(s) specified herein to prevent loss or damage or further loss or damage thereto, that part of the insurance under this form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 7 days only, or for the unexpired term of the policy if less than 7 days, insure the property removed and any property remaining in the location(s) specified herein in the proportions which the value of the property in each of the respective location(s) bears to the value of the property in them all.
- b) i) Debris Removal: The insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage insurance is afforded under this form.

The amount payable under this extension shall not exceed 25% of the total amount payable for the direct physical loss to property insured plus the amount of the applicable deductible.

- ii) 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 a location specified on the "Declarations Page".

Extensions of coverage b(i) and b(ii) do not apply to costs or expenses:

- (a) to "clean up" "pollutants" from land or water; or
- (b) 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 determination of actual cash value for the purpose of applying the Co-insurance Clause.

- c) 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:
  - (i) shall not attach if it is insured by the owner unless the Insured is obliged to insure it or is liable for its loss or damage;
  - (ii) is, in any event, limited to a maximum recovery of \$250 in respect of any one officer or employee;
  - (iii) shall apply only to loss or damage occurring at a location specifically described on the "Declarations Page" or included in "Newly Acquired Location".

- d) "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 any attempt thereat and from vandalism or malicious acts committed on the same occasion provided the Insured is the owner of such "building" or is liable for such damage and the "building" is not otherwise insured hereunder. This extension of cover shall be limited to a maximum recovery of twenty-five hundred dollars (\$2,500) in respect of any one loss. Glass and lettering or ornamentation thereon is excluded from this extension.
- e) Growing Plants, Trees, Shrubs or Flowers In The Open: This form is extended to insure loss or damage to growing plants, trees, shrubs or flowers in the open caused directly by "Named Perils" (with the exception of windstorm or hail as described in clause 19(g) or from theft or attempt thereat. This extension of coverage shall be limited to a maximum recovery of five hundred dollars (\$500) for each growing plant, tree, shrub or flower in the open including debris removal expense.
- f) "Premises" Extension: Property Insured, with the exception of unlicensed automobiles and unlicensed trailers at a location specifically described on the "Declarations Page" or in any "Newly Acquired Location", is also Insured while in or on vehicles within 100 meters (328 feet) of the "Premises".
- g) "Valuable Papers and Records": Up to \$25,000 in any one occurrence may apply to cover the additional expense necessarily incurred in the reproduction of the Insured's valuable papers, original plans, drawings, specifications, or other records, because of loss, destruction, or damage for which insurance is provided by this Form. The Insurer shall not be liable for any sums due the Insured which the Insured is unable to collect because of loss of records.
- h) "Extra Expense--": Up to \$25,000 in any one occurrence may apply to cover the extra expense necessarily incurred by the Insured to continue as nearly as practicable, normal operations which are interrupted as a result of loss or damage by a peril insured against, to the property insured or to the building containing the property insured, but only for the period of time required with the exercise of due diligence and dispatch to restore the lost or damaged property.

## **8. PERMISSION**

Permission is hereby granted:

- a) For other insurance concurrent with this form;
- b) To make additions, alterations or repairs;
- c) To do such work and to keep and use such articles, materials, and supplies in such quantities as are usual or necessary to the Insured's business.

## **9. BREACH OF CONDITION**

Where a loss occurs and there has been a breach of condition relating to a matter before the happening of the loss, which breach would otherwise disentitle the Insured from recovery under this form, the breach shall not disentitle the Insured from recovery if the Insured establishes that the loss was not caused or contributed to by the breach of condition or if the breach of condition occurred in any portion of the premises over which the Insured has no control.

## **10. REINSTATEMENT**

Loss under any item of this form shall not reduce the applicable amount of insurance.

## **11. SUBROGATION**

The Insurer, upon making any payment or assuming liability therefore under this form, shall be subrogated to all rights of recovery of the Insured against others and may bring action to enforce such rights. Notwithstanding the foregoing, all rights of subrogation are hereby waived against any corporation, firm, individual, or other interest with respect to which insurance is provided by this policy.

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.

## **12. PROPERTY PROTECTION SYSTEMS**

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

- a) sprinkler or other fire extinguishing system; or
- b) fire detection system; or
- c) intrusion detection system;

and shall also notify forthwith the Insurer of the cancellation, non-renewal or suspension 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.

## **13. PREMIUM ADJUSTMENT**

This clause is applicable if a specific amount of insurance is shown on the "Declarations Page" for "Stock".

If within six months after the expiry or anniversary date of each period of insurance, the Insured shall file with the Insurer a Premium Adjustment Application Form showing, for the said period, the actual cash value of the "stock" insured on the last day of each month at each location as commented upon by the Insured's Accountant, the actual premium for the said period shall then be calculated at the rate applying to each location 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.

## **14. VERIFICATION OF VALUES**

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

## **15. VALUATIONS**

For the purpose of calculating the total value of the property for the application of Co-Insurance, value reporting and for loss adjustment, the following valuation basis applies:

- a) On unsold "stock" - the actual cash value of the property at the time any loss occurs, but in no event to exceed what it would cost to repair or replace with material of like kind and quality;
- b) On sold "stock" - the selling price after allowance for discounts;
- c) On property of others in the custody or control of the Insured for the purpose of performing work thereon - the amount for which the Insured is liable but in no event to exceed the actual cash value at the time and place of loss plus allowance for labour and materials expended to such time;
- d) On tenant's improvements and records - as defined in paragraphs (a) and (b) of Clause 16;
- e) On all other property insured under this form and for which no more specific conditions have been set out - the actual cash value at the time the loss or damage occurs but in no event to exceed what it would then cost to repair or replace with material of like kind and quality.

## **16. SPECIAL BASIS OF SETTLEMENT**

- a) Tenant's Improvements: The liability of the Insurer shall be determined as follows:
  - (i) if repaired or replaced with due diligence and dispatch, the amount actually and necessarily expended but in no event exceeding the actual cash value of the tenant's improvements immediately prior to the time of destruction or damage;
  - (ii) if not repaired or replaced with due diligence and dispatch after such loss, that portion of the original cost of the damaged or destroyed tenant's improvements which the unexpired term of the lease at the time of loss bears to the period(s) from the date(s) such tenant's improvements were made to the expiration date of the lease.



- b) Records: The liability of the Insurer for loss or damage to:
  - (i) books of accounts, drawings, card index systems and other records, other than as described in (ii) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;
  - (ii) media, data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment, shall not exceed the cost of reproducing such media, data storage devices, and programme devices from duplicates or from originals of the previous generation of the media, but no liability is assumed hereunder for the cost of gathering or assembling information or data for such reproduction.

Whichever of the above is applicable shall be the basis to be adopted for the purpose of applying Co-Insurance.

## **17. 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.

## **18. LOCKED VEHICLE WARRANTY**

This clause does not apply to property which is under the control of a common carrier.

Warranted by the Insured that any vehicle in which the property insured is carried is equipped with a fully enclosed metal body or compartment, and the Insurer shall be liable in case of loss by theft from an unattended vehicle only as a direct result of forcible entry (of which there shall be visible evidence) into such body or compartment the doors and windows of which shall have been securely locked.

## **19. DEFINITIONS**

Wherever used in this form:

- a) "All Property" means: Buildings, Equipment and Stock.
- b) "Building" means the building(s) described on the "Declaration Page" and includes:
  - (i) fixed structures pertaining to the building(s) and located on the "premises";
  - (ii) additions and extensions communicating and in contact with the building(s);
  - (iii) permanent fittings and fixtures attached to and forming part of the building(s);
  - (iv) materials, equipment and supplies on the "premises" for maintenance of, and normal repairs and minor alterations to the "building" or for building services;
  - (v) growing plants, trees, shrubs or flowers inside the "building" used for decorative purposes when the Insured is the owner of the "building".
- c) "Clean Up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes.
- d) "Contents" means "equipment" and "stock".
- e) "Declarations Page" means the Declarations Page applicable to this form.
- f) "Equipment means":
  - (i) generally all contents usual to the Insured's business including furniture, furnishings, fittings, fixtures, machinery, tools, utensils and appliances other than "building" or "stock" as herein defined;
  - (ii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable;
  - (iii) 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;

- g) "Fire Protective Equipment" includes tanks, water mains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
  - (i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
  - (ii) any water mains or appurtenances located outside the described "premises" and forming a part of the public water distribution system;
  - (iii) any pond or reservoir in which the water is impounded by a dam.
- h) "Named Perils" means:
  - A) FIRE OR LIGHTNING
  - B) EXPLOSION: Except with respect to explosion of natural, coal or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the insured:
    - (i) a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
    - b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
    - c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
    - d) smelt dissolving tanks;
    - (ii) other vessels and apparatus, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
    - (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
    - (iv) any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosion;
    - (v) gas turbines;

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

- a) electric arcing or any coincident rupture of electrical equipment due to such arcing;
- b) bursting or rupture caused by hydrostatic pressure or freezing;
- c) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.

- C) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE: The terms "Aircraft" and "Spacecraft" include articles dropped therefrom.

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

- (i) caused by land vehicles belonging to or under the control of the Insured or any of his employees;
- (ii) to aircraft, spacecraft or land vehicles causing the loss;
- (iii) caused by any aircraft or spacecraft when being taxied or moved inside or outside of "buildings".

- D) RIOT, VANDALISM OR MALICIOUS ACTS: The term Riot includes open assemblies of strikers inside or outside the "premises" who have quitted work and of locked-out employees.

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

- (ii) due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
- (ii) due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under Clause 19(i)(B);
- (iii) due to theft or attempt thereat.

- E) SMOKE: The term "Smoke" means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability hereunder for any cumulative damage.
- F) LEAKAGE FROM FIRE PROTECTIVE EQUIPMENT: The term Leakage from Fire Protective Equipment means the leakage or discharge of water or other substance from within the equipment used for fire protection purposes for the "premises" described on the "Declarations Page" or for adjoining premises and loss or damage caused by the fall or breakage or freezing of such equipment.
- G) WINDSTORM OR HAIL: There shall in no event be any liability hereunder for loss or damage:
- (i) to the interior of the "buildings" insured or their contents unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
  - (ii) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.
- i) "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.
- j) "Premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described on the "Declarations Page" and in or on vehicles within 100 meters (328) feet) of such locations.
- k) "Stock" means
- (i) merchandise of every description usual to the Insured's business;
  - (ii) packing, wrapping and advertising materials; and
  - (iii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable.

## **MISCELLANEOUS PROPERTY FLOATER BROAD FORM**

This policy covers the described property owned by the Insured or the property of others for which the Insured may be liable, as per the attached schedule, up to the limit as indicated on the "Declarations Page".

### **DEDUCTIBLE**

Each claim for loss or damage (separately occurring) shall be adjusted separately, and from the amount of each such adjusted claim the sum specified on the "DECLARATIONS PAGE" or on the ATTACHED SCHEDULE, as applicable, shall be deducted.

If two or more items are involved in a loss then the deductible shall be that applicable to the largest item.

### **PERILS INSURED**

All risks of direct physical loss or damage to the described property from any external cause, except as hereinafter provided.

### **PERILS EXCLUDED**

- a) Loss or damage caused by wear and tear, gradual deterioration, dampness of atmosphere, extremes of temperature, insect, vermin, latent defect, inherent vice, or damage sustained due to any process or while being actually worked upon and resulting therefrom;
- b) Loss or damage caused by short circuit or other electrical injury or disturbance, exclusive of lightning to electrical appliances, devices or other electrically operated property or wiring unless fire or explosion ensues and then for the loss or damage by fire or explosion only;
- c) Loss or damage due to mechanical breakdown, breakage of glass or other brittle articles or parts (lenses of scientific instruments excepted), marring, scratching unless caused by fire, lightning, theft or attempted theft, cyclone, tornado, windstorm, earthquake, flood, explosion, malicious damage or collision, derailment or overturn of transporting vehicle, strike, riot, aircraft, vehicles other than transporting conveyance, rupture of pipes, breakage of apparatus, sprinkler leakage, vandalism;
- d) Loss or damage caused by or resulting from misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other part of interest, his or their employees or agents or others to whom the property may be entrusted (carriers for hire excepted);
- e) Loss or damage caused by or resulting from theft from an unattended vehicle unless said vehicle is equipped with a fully enclosed metal body, and the loss is a direct result of violent forcible entry (of which there shall be visible evidence) into such fully enclosed metal body, the doors and windows of which have been securely locked;
- f) Loss of or damage to money, notes, securities, bullion, platinum, stamps, tickets and tokens, evidence of debt or title;
- g) Loss or damage caused directly or indirectly by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- h) Loss or damage caused directly or indirectly;
  - i) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
  - ii) by contamination by radioactive material.

### **POLLUTION EXCLUDED**

This form does not insure against:

- i) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean up", but this exclusion does not apply:
  - 1) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this form;
  - 2) to loss or damage caused directly by a peril not otherwise excluded under this form;
- ii) 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".

## **PROPERTY EXCLUDED**

This Rider does not insure:

- a) Property illegally acquired, kept, stored or transported, or property seized or confiscated for breach of any law or by order of any public authority;
- b) Automobiles, aircraft, watercraft, motorcycles or similar conveyances;
- c) Property whilst waterborne, except that while the property insured is being transported on any regular ferry or is in or on railway cars or transfers in connection therewith, this Policy insures against direct physical loss or damage to the property insured caused by the Stranding, Sinking, Burning, or Collision of the vessel, including General Average and Salvage Charges.

## **SPECIAL CONDITIONS**

### **1. TERRITORIAL LIMITS.**

The property insured by this form is covered at and in transit between points and places anywhere in Canada and the continental United States of America.

### **2. COINSURANCE.**

The Company shall be liable, in the event of loss, for no greater proportion thereof than the amount insured hereunder bears to 100% of the actual value of the property insured hereunder at the time when such loss or damage shall happen. If this policy covers two or more items, this condition to apply to each item separately.

### **3. ALL OTHER MATTERS.**

Subject to all conditions of the policy to which this form is attached, except that any and all clauses and conditions in the printed portion of the policy in conflict with the terms of this special form are waived and declared null and void.

### **4. NEW ACQUISITIONS.**

On the condition that the Insured report additional property of the kind insured hereunder purchased by the Insured subsequent to the attachment date of this policy within thirty (30) days from the date purchased and in consideration of the payment of full premium thereon from the date purchased at pro rata of the current rates of the Company for such insurance, this policy insures each property for not exceeding 25% of the total amount of the policy (exclusive of the provisions of this clause) in respect to any one loss, disaster or casualty, but not exceeding \$25,000 on any one item. (This clause is effective only when all property insured by this Policy is scheduled).

### **5. 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.

## **DEFINITIONS**

Wherever used in this form:

- a) "Clean Up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes;
- b) "Declarations Page" means Declarations Page applicable to this form;
- c) "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.

## PROPERTY EXTENSION ENDORSEMENT

WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AND ARE DEFINED BELOW OR IN THE FORM(S) TO WHICH THIS ENDORSEMENT IS ATTACHED

Extensions of coverage specified in this endorsement are subject to all terms, definitions, limitations, provisions and other conditions of the Property form(s) to which this endorsement is attached, unless stated otherwise in this endorsement. **If an extension of coverage provided under this form is more specifically insured elsewhere in the policy to which this form is attached, the extension coverage under this form does not apply.**

The Co-Insurance clause specified in the form to which this endorsement is attached applies to the following extensions of coverage:

**Building By-Laws  
Stock Spoilage  
Removal  
Debris Removal**

### 1. **Personal Property of Officers and Employees**

This extension replaces the Personal Property of Officers and Employees extension of coverage contained in any form to which this endorsement is attached:

This extension insures, for not more than \$25,000 in any one occurrence, personal property of officers and employees of the Insured. The insurance on such property:

- (a) shall not attach if it is insured by the owner unless the Insured is obligated to insure it or is liable for its loss or damage;
- (b) is, in any event, limited to a maximum recovery of \$2,500 in respect of any one officer or employee;
- (c) shall apply only to loss or damage occurring at a location specifically described on the "Declarations Page" or at any "newly acquired location" as specified in this endorsement under Extension #12 hereof.

### 2. **Accounts Receivable**

The Insurance under this policy is extended to insure:

- (a) all sums due the Insured from customers, provided the Insured is unable to effect collection thereof as a direct result of loss or damage to records of accounts receivable;
- (b) interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage;
- (c) collection expense in excess of normal collection cost and made necessary because such loss or damage;
- (d) other expenses, when reasonable incurred by the Insured in re-establishing records of accounts receivable following such loss or damage.

This exclusion does not insure against loss or damage:

- i) due to bookkeeping, accounting or billing errors or omissions;
- ii) due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding;

Basis of Settlement: When there is proof that a loss covered by this extension has occurred but the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount will be computed as follows:

The monthly average of accounts receivable for the previous twelve (12) months will be adjusted, taking into consideration any variance from that average for the particular month in which the loss occurs. The Insurer shall also consider normal fluctuations in the amount of accounts receivable within the fiscal month involved.

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

This exclusion is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

### **3. Stock Spoilage**

The Insurance under this Policy is extended to cover physical loss or damage to "stock" on the "premises" caused by dampness or dryness of atmosphere or change in temperature.

The dampness or dryness of atmosphere or change in temperature must be direct result of (a) or (b) below.

- (a) Physical loss of or damage to "building" or "equipment", including supply or transmission lines and pipes and their connections furnishing "services", on the "premises". The physical loss or damage must directly result from an insured peril. The part of the "building" or of the "equipment" that sustains loss or damage must be used for refrigeration, cooling, humidifying, dehumidifying, heating or for generating or converting power.
- (b) Interruption to the supply of "services" to the "premises". The interruption must be caused by physical loss of or damage to apparatus that generates or supplies such "services" to the "premises". The physical loss or damage must directly result from an insured peril. The apparatus that sustains loss or damage must be located on or within 1 kilometre of the "premises".

### **Limit of Insurance**

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**Exclusions**

This extension does not cover loss or damage resulting from partial or total interruption to the supply of "services" arising from:

- (a) loss of or damage to any electrical transmission lines or distribution lines or their supporting structures, except for those located on the "premises"; (b) lack of sufficient capacity; or
- (c) intentional reduction in supply.

**Definition**

"Services" means electricity, water, gas or steam.

**4. Building Bylaws****Indemnity Agreement**

This insurance under the policy is, without increasing the amount of insurance, and only as a result of the insured peril, extended to indemnify the Insured for an amount not exceeding the limit as shown on the "Declaration Page" for Building By-Laws for:

- (a) loss occasioned by the demolition of any undamaged portion of the "building";
- (b) the cost of demolishing and clearing the site of any undamaged portion of the "building";
- (c) any increase in the cost of repairing, replacing, constructing or reconstructing the "building" on the same or on an adjacent site, of like height, floor area and style and for like occupancy;

Arising from the enforcement of the minimum requirements of any by-law, regulation, ordinance, or law which:

- i) regulates zoning or the demolition, repair or construction of damaged buildings; and
- ii) is in force at the time of such loss or damage.

**Exclusions**

This extension does not insure against:

- (a) the enforcement of any by-law, regulation, ordinance or law which prohibits the Insured from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy;
- (b) direct or indirect loss, damage, cost or expense 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"; or
- (c) direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluating, or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants";
- (d) the enforcement of any by-law, regulation, ordinance or law which could apply in absence of a loss.



**5. Inflation Protection**

(a) The amount of insurance applicable to "building" shall increase during the policy period by the proportion by which the latest published Statistics Canada Non-Residential Building Construction Price Indexes has increased since the last "premium due date".

(b) At the "premium due date", the amount of insurance shall be increased automatically in accordance with the latest published Statistics Canada Non-Residential Building construction Price Indexes and the appropriate premium charged.

(c) If the amount of insurance applicable to "building" is changed at the request of the Insured during the policy period, the effective date of this endorsement is deemed to coincide with the effective date of such change.

**Definition**

"Premium Due Date" means the inception or renewal date of the Policy. "Premium due date" does not mean the date on which any periodic instalment of the premium is payable.

**6. Exhibition Coverage**

The insurance under this policy is extended to insured "stock" "and "equipment" while temporarily on exhibition at any location not owned by the insured in Canada or the continental United States of America including while in transit to and from such locations.

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**7. Automatic Fire Suppression System Recharge Expense**

The insurance under this policy is extended to insure any automatic fire suppression system recharge expense incurred by the Insured due to the leakage or discharge of the fire suppressant within any automatic fire suppression system at the "premises" where such discharge or leakage is caused by or results from an insured peril.

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**8. Brands and Labels**

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

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**9. Fire Fighting Expenses**

The insurance under this policy is extended to insured expenses the Insured is charged by a Municipality when the fire department is called to save or protect insured property as a result of an insured peril covered by this policy.

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**10. Temporary Locations**

The insurance under this policy is extended to insure "Building" and "Contents" other than at a specified location shown on the "Declarations Page", except while in transit or outside of Canada and the continental United States of America. There shall be no liability under this term at any location owned, rented or controlled in whole or in part by the Insured.

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**11. Newly Acquired Locations**

The insurance under this policy is extended to insure "Building" and "Contents" at any new location within Canada or the continental United States of America that is owned, rented or controlled by the Insured in whole or in part. This coverage attaches at the time of the acquisition and extends for a period of 90 days, or to the date of endorsement of this policy adding such location, or until the expiry date of this policy, whichever occurs first. There is no coverage under this extension for any "Building" that is in the course of construction.

- i) For "Building", this extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence;
- ii) For "Contents", this extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**12. a) Removal:** If any of the Insured property is necessarily removed from the "premises" to prevent loss or damage to or further loss of or damage to such property, that part of the insurance under this extension that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 7 days only, or for the unexpired term of the policy if less than 7 days, insure the property removed and any property remaining at the "premises".

**b) i) 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 or damage to such property, for which loss or damage insurance is afforded under this form.

The amount payable under this extension shall not exceed 25% of the sum of:

- 1) The total amount payable for the direct loss or damage to insured property; and
- 2) The amount of the applicable deductible.

**ii) 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 b (i) and b (ii) do not apply to costs or expenses: (a) to

"clean up" "pollutants" from land or water; or

- (b) for testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, released or escape of "pollutants".

Debris removal expense shall not be considered in the calculation of the value as determined in Clause 4 of Form 51236 for the purpose of applying co-insurance.

This extension provides coverage for additional debris removal expense, as shown in the Property Extension Endorsement Schedule in any one occurrence, over and above the limits set out in this extension, or if exhausted, the policy limit.

**13. Transit**

The Insurance under this policy is extended to insured "equipment", "stock" and "contents" in transit within Canada or the Continental United States of America until delivered.

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**14. Contents off Premises in the custody of Sales Representatives**

The insurance under this policy is extended to insure "contents", whether in transit or otherwise, within Canada or the continental United States of America while in the custody of a sales representative of the Insured.

This extension is limited to a maximum recovery as shown in the Property Extension Endorsement, Schedule in any one occurrence.

**15. Land and Water Pollution Clean Up Expense**

The Insurer will indemnify the Insured for expenses incurred to "clean up" "pollutants" from land and water at the "premises" provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants":

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

The liability of the Insurer in respect of this extension during any one policy period shall not exceed, in the aggregate as shown in the Property Extension Endorsement Schedule.

**No Automatic Reinstatement**

Notwithstanding the Reinstatement Clause in the form to which this endorsement is attached, following a loss under this extension the amount of insurance for this extension will be reduced by the amount payable.

The Insurer shall not be liable for:

- i) expenses for "clean up" away from or beyond the "premises" resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" even if the "pollutants" emanated from the "premises";

- ii) expenses for "clean up" of any spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of pollutants that began before the effective date of this policy;
- iii) fines, penalties, punitive or exemplary damages;
- iv) expenses incurred for the "clean up" of "pollutants" at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, disposal processing or treatment of waste.

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

The Insurance afforded by this extension shall apply as excess over any other valid and collectible insurance available to the Insured or any other interested party.

As used in this extension:

"Premises" means the entire area within the property lines at the location(s) described on the "Declarations Page" and areas under adjoining sidewalks and driveways.

#### **16. Building Damage by Theft**

The insurance under this policy 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 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 Policy.

This extension of coverage shall be limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

#### **17. Extra Expense**

The insurance under this policy is extended to insure the necessary Extra Expense incurred by the Insured to continue as nearly as practicable the "normal" conduct of the Insured's business following damage to or destruction by the insured perils to "building" or "contents" for not exceeding such length of time, commencing with the date of the loss and not limited by the expiration of this policy, as shall be required with the exercise of due diligence and dispatch to repair, rebuild, or replace the part of the "building" or "contents" destroyed or damaged.

As used in this extension:

"Normal" means the condition which would have existed had no loss occurred.

This extension of coverage shall be limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**18. Valuable Papers**

The insurance under this policy is extended to insure "valuable papers and records" owned by the Insured or held by the Insured in any capacity, provided the insurance applies only to the interest of the Insured in such property, including the Insured's liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the Insured's proof of loss.

This extension does not insure against loss or damage:

- (a) directly resulting from errors or omissions in processing or copying unless fire or explosion ensues and then only for direct loss caused by such ensuing fire or explosion;
- (b) to property which cannot be replaced with other of like kind and quality.

The Insurer will pay the additional expense necessarily incurred in the reproduction of the Insured's "valuable papers and records," because of loss, destruction, or damage caused by an insured peril.

As used in this extension:

"Valuable papers and records" means written, printed or otherwise inscribed documents and records, including books, maps, drawings, card index systems, abstracts, deeds, mortgages, manuscripts, films, tapes, discs, drums, cells or other magnetic recordings or storage media for electronic data processing, but excluding money or securities.

This extension of coverage shall be limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence (or as provided by a Valuable Papers and Records form or endorsement attached to and forming part of this Policy).

**19. Off Premises Services Interruption**

Under this extension, physical loss of or damage caused directly to property that is located within 1 kilometre of the "Premises", by a Peril Insured under the Business Income section of this policy, shall be deemed to be "Damage". Such property must be used to generate or supply "services" to the premises.

This extension only applies to loss, as insured by the Business Income section of this policy, after the first 24 consecutive hours of loss of "services" or directly or indirectly arising from:

- (a) loss of or damage to electrical transmission lines or distribution lines or their supporting structures;
- (b) loss of or reduction of "services" due to lack of sufficient capacity; or
- (c) an intentional reduction in the supply of "services".

The maximum amount payable under this endorsement for any one occurrence, regardless of the number of persons and interests insured under the Business Income section is \$25,000.

As used in this extension:

"services" means electricity, water, gas or steam.

"service interruption" means loss of "services" for a period exceeding 24 consecutive hours.

- 20. Electronic Data Processing Equipment and Media Including Breakdown Coverage** The insurance under this policy is extended to insure against direct physical loss or damage by an insured peril to electronic data processing and word processing equipment including their component parts, and "electronic media" at the "premises".

This extension does not insure:

- (a) Any data processing media which cannot be replaced with other of like kind and quality;
- (b) Loss that is covered by a manufacturer's warranty or service contract except for loss that is in excess of the amount received by the Insured from the warranty or service contract;
- (c) Loss or damage caused directly or indirectly by programming errors or faulty machine instructions;

As used in this extension:

"Electronic Media" means any material on which data is recorded or stored.

This extension provides systems breakdown coverage, to electronic data processing and word processing equipment including their component parts, and electronic media at the "premises", as described below:

The Insurer agrees to insure against loss, damage, or expense resulting from or caused by:

- i) mechanical breakdown, machinery breakdown or media failure while said media is being run through the electronic data processing system;
- ii) short circuit, blow-out or other electrical or magnetic disturbance, other than lighting, within electrical equipment, apparatus or devices;
- iii) electric or magnetic injury, disturbance or erasure of electronic recordings.

This extension of coverage shall be limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**21. Fine Arts**

This extension insures, against All Risks of direct physical loss of or damage to Fine Arts, while such property is at the described premises of the Insured.

This extension does not insure:

- (a) breakage of glassware, statuary, marbles, bric-a-brac, porcelains and other fragile articles, unless caused directly by fire, earthquake, explosion, falling object striking the exterior of a building, flood, impact by aircraft or land vehicle, lightning, riot, smoke vandalism or malicious acts, windstorm or hail, or by accident to land, water or air conveyances, or by theft or attempt thereof;

- (b) loss or damage caused directly or indirectly by any repairing, restoration or retouching process.

Fine Arts include paintings, etchings, pictures, tapestries, and other bona fide works of art, (such as valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass and bric-a-brac) or other articles of rarity, historical value or artistic merit.

The Insurer shall not be liable in any one occurrence under this extension for more than \$25,000 (subject to a maximum limit of \$2,500 any one item).

If more specifically insured under the Fine Arts Form, which is attached to and forming part of this Policy, the amount recoverable under this extension shall apply as excess insurance over the limit specified for such form.

## **22. Installation Floater**

The Insurance under this policy is extended to insure, supplies, equipment and materials, except as excluded below, the property of the Insured or the property of others for which the Insured is legally liable, which the Insured has contracted to install or which will be used in completing an installation contract, anywhere in Canada or the Continental United States, while such property is in transit to premises of installation or while at premises of installation, awaiting installation or while being installed, it being agreed that coverage on all property ceases when:

- (a) the Insured's interest ceases; or
- (b) the property installed has been accepted as satisfactory; or
- (c) the policy expires;

whichever occurs first.

### **Additional Exclusions:**

In addition to the exclusions under the form to which this endorsement is attached, this extension does not insure loss or damage:

- i) to buildings, but building materials and supplies are covered until such time as they become a permanent part of any installation project completed by the Insured;
- ii) to plans, blueprints, designs, specifications or any similar property;
- iii) to tools and contractor's equipment of every description;
- iv) to any installation or part thereof from the commencement of use or purposes for which it was intended;
  - a. to property while in airborne transit, unless by scheduled airlines;
- vi) covered under any guarantee or warranty (expressed or implied) by any contractor, manufacturer or supplier, whether or not such contractor, manufacturer or supplier is an Insured under this extension;

This extension of coverage shall be limited to a maximum recovery as shown in the Property Extension Endorsement Schedule, in any one loss, disaster or casualty either in case of partial or total loss or salvage or other charges or expenses or all combined.

**23. Professional Fees**

The insurance under this policy is extended to insure the reasonable fees payable to the Insured's Auditors, Accountants, Lawyers, Architects, Engineers, or other consultants, except the Insured's own employees and Public Adjusters, for producing particulars or details of the Insured's loss or losses in order to arrive at the loss payable under this policy in the event of a claim.

This extension of coverage shall be limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**24. Exterior Building Glass**

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

- (a) board up openings or install temporary plates if repair or replacement of the damaged building glass or vitrolite is delayed; and
- (b) remove or replace any fixtures or other obstructions to the replacement of the damaged building glass or vitrolite. This does not include expenses incurred to remove or replace window displays.

**25. Signs**

The insurance under this policy is extended to insure loss or damage caused by a peril insured against to exterior signs located on the "premises".

This extension of coverage shall be limited to a maximum recovery as shown in the Property Extension Endorsement Schedule in any one occurrence.

**26. Master Key**

This extension insures, for not more than \$10,000 any one occurrence, the cost of replacing or re-tooling locks following loss or damage caused by a peril insured against to master keys, electronic passes or access cards that control doors at the location(s) described on the "Declaration Page".

**27. 3D Crime Coverage**

The following Crime Extensions of coverage are all subject to the exclusions, special conditions and definitions specified hereunder and all other terms and conditions of this policy. Loss or damage is covered under these crime extensions if discovered not later than one year from the end of the Policy period and occurred or sustained during the Policy Period within Canada and the Continental United States of America.

Coverage A – Employee Dishonesty

Coverage B – Loss Inside the Premises

Coverage C – Loss Outside the Premises

Coverage D – Money Orders and Counterfeit Paper Currency

Coverage E – Depositors Forgery

Coverage F – Computer Theft and Funds Transfer Fraud Coverage



**COVERAGE A - Employee Dishonesty**

This extension insures, under Coverage A loss of "money", securities, and other property which the Insured shall sustain, to an amount not exceeding in the aggregate as shown in the Property Extension Endorsement Schedule for Employee Dishonesty, resulting directly from one or more "fraudulent or dishonest acts" committed by an "employee" acting alone or in collusion with others.

This extension does not apply to:

- (a) loss, the proof of which as to its factual existence or amount is dependent upon an inventory computation or a profit and loss computation;
- (b) loss caused by any "employee" of the Insured or any predecessor in interest of the Insured, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation;
- (c) loss caused by any "employee" after discovery by the Insured, or by any partner or officer thereof, not collusion with such "employee", of any "fraudulent or dishonest acts" committed by that "employee" whether before or after becoming employed by the Insured.

**COVERAGE B - Loss Inside the Premises**

This extension insures, under Coverage B to an amount not exceeding the aggregate as shown in the Property Extension Endorsement Schedule for Loss Inside the Premises,

- (a) loss of or damage to "money and "securities" by the actual destruction, disappearance or wrongful abstraction thereof within the "premises" or within any "banking premises" or similar recognized places of safe deposit;
- (b) loss of or damage to other property caused by "safe burglary" or "robbery" within the "premises", or attempt thereat and loss of a locked cash drawer, cash box or cash register by felonious entry into such container within the "premises", or attempt thereat, or by felonious abstraction of such container from within the "premises";
- (c) damage to the "premises" by "safe burglary", "robbery" or felonious abstraction, or by or following burglarious entry in the "premises" or attempt thereat, provided with respect to damage to the "premises" the Insured is the owner thereof or is liable for such damage.

This extension does not apply to:

- i) loss or damage to "money", "securities" and other property which has been transferred by any computer to a person or to a place outside the covered "premises" on the basis of unauthorized electronic instructions;
- ii) loss or damage, other than to "money", "securities", a safe or vault, by fire whether or not such fire is caused by, contributed to by or arises out of the occurrence of hazard insured against;
- iii) loss of or damage to "money" contained in coin operated amusement devices or vending machines, unless the amount of "money" deposited within the device or machine is recorded by a continuous recording instrument therein.

**COVERAGE C - Loss Outside the Premises**

This extension insures, under Coverage C to an amount not exceeding in the aggregate as shown in the Property Extension Endorsement Schedule or Loss Outside the Premises,

- (a) loss of or damage to "money" and "securities" by the actual destruction, disappearance or wrongful abstraction thereof outside the "premises" while being conveyed by the "messenger" or any armoured motor vehicle company, or while within the living quarters in the home of any "messenger";
- (b) loss of or damage to other property by "robbery" outside the "premises" while being conveyed by a "messenger" or any armoured motor vehicle company, or by theft while within the living quarters in the home of any "messenger".

This extension does not apply to:

- i) loss or damage due to the surrender of "money", "securities" or other property away from the "premises" as a result of or threat to do bodily harm to any person, or damage to the "premises" or property owned by the Insured or held by the Insured in any capacity; provided, however, this exclusion does not apply to loss of or damage to "money", "securities" or other property while being conveyed by a "messenger" when there was no knowledge by the Insured of any such threat at the time the conveyance was initiated;
- ii) loss of or damage to insured property while in the custody of any armoured motor vehicle company, unless such loss or damage is in excess of the amount recovered or received by the Insured under;
  - a. the Insured's contract with said armoured motor vehicle company;
  - b. insurance carried by the said armoured motor vehicle company for the benefit of users of its service;
  - c. all other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armoured motor vehicle company's service, and then this Extension shall cover only such excess.

The following additional exclusions apply only to Coverages B and C of this Crime Extensions of coverage:

- i) loss or damage due to any fraudulent, dishonest or criminal act by an employee, director, trustee or authorized representative of any Insured, while working or otherwise and whether acting alone or in collusion with others; provided, this exclusion does not apply to "safe burglary" or "robbery" or attempt thereat;
- ii) loss or damage due to the giving or surrendering of "money" or "securities" in exchange or purchase;
- iii) loss or damage due to accounting or arithmetical errors or omissions;
- iv) loss or damage to manuscripts, books or account records, except for blank value.

**COVERAGE D - Money Orders and Counterfeit Paper Currency**

This extension insures, under Coverage D to an amount not exceeding in the aggregate as shown in the Property Extension Endorsement Schedule for Money Orders and Counterfeit Paper Currency, loss or damage due to acceptance in good faith, in exchange for merchandise, money or services, of any post office or express money order, issued or purporting to have been issued by any post office or express company or any bank draft or money order issued by any Financial Institution if such money order is not paid upon presentation, or due to the acceptance in good faith in the regular course of business of counterfeit Canadian or United States paper currency.

**COVERAGE E – Depositors Forgery**

This extension insures, under Coverage E to an amount not exceeding in the aggregate as shown in the Property Extension Endorsement Schedule for Depositors Forgery, loss which the Insured or any bank which is included in the Insured's proof of loss and in which the Insured carries a chequing or savings account, as their respective interests may appear, shall sustain through forgery or alteration of, on or in any cheque, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a sum certain in "money", made or drawn by or drawn upon the Insured, or made or drawn by one acting as agent of the Insured, or purporting to have been made or drawn as hereinbefore set forth, including:

- (a) any cheque or draft made or drawn in the name of the Insured, payable to a fictitious payee and endorsed in the name of such fictitious payee;
- (b) any cheque or draft procured in a face to face transaction with the Insured, or with one acting as agent of the Insured, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and
- (c) any payroll cheque, payroll draft or payroll order made or drawn by the Insured, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee;

whether or not any endorsement mentioned in (a), (b) or (c) be a forgery within the law of the place controlling the construction thereof. Mechanically reproduced facsimile signatures are treated the same as handwritten signatures.

The Insured shall be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Coverage E, whether sustained by the Insured or such bank, shall be paid directly to the Insured in its own name, except in cases where such bank shall have already fully reimbursed the Insured for such loss. The liability of the Insurer to such bank for such loss shall be a part of and not in addition to the amount of insurance applicable to the Insured's office to which such loss would have been allocated had such loss been sustained by the Insured.

If the Insured or such bank shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Insured or such bank to enforce such payment and the Insurer shall give its written consent to the defence of such suit, then any reasonable attorney's fees, court costs or similar legal expenses incurred and paid by the Insured or such bank in such defence shall be construed to be a loss under Coverage E and the liability of the Insurer for such loss shall be in addition to any other liability under Coverage E.

**COVERAGE F – Computer Theft and funds Transfer Fraud Coverage**

This extension insures, under Coverage F to an amount not exceeding in the aggregate as shown in the Property Extension Endorsement Schedule for computer Theft and Funds Transfer Fraud, loss of "money" or "securities" by "Computer Theft" or by "Funds Transfer Fraud".

This extension does not apply to loss:

- (a) caused by an employee or authorized representative of the Insured acting alone or in collusion with others;
- (b) due to the giving or surrendering of "money" or "securities" in any exchange or purchase;

- (c) of "money" or "securities" or other property as a result of kidnap, ransom or other extortion payments surrendered to any person as a result of a threat to do bodily harm to any person or damage to the premises or other property owned by the Insured or held by the Insured in any capacity;
- (d) resulting from loss of computer time or use;
- (e) resulting from unintentional errors or omissions;
- (f) which insures directly to the benefit of any Financial Institution (other than the Insured) or to any electronic funds transfer system or electronic data processor. Any coverage hereunder shall be specifically excess of any indemnity from or insurance taken for the benefit of customers of any Financial Institution;
- (g) resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored value or other cards or the information contained on such cards;
- (h) resulting from:
  - i) the unauthorized disclosure of confidential information including, but not limited to , patents, trade secrets, processing methods or customer lists; or
  - ii) the unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

#### COMMON EXCLUSIONS

The following exclusions (a) to (e) inclusive apply to all of the above crime extensions of coverage:

- (a) loss due to any fraudulent, dishonest or criminal act by any Insured or a partner therein, whether acting alone or in collusion with others;
- (b) the defence of any legal proceeding brought against the Insured, or to fees, costs or expense incurred or paid by the Insured in prosecuting or defending any legal proceeding whether or not such proceeding results or would result in a loss to the Insured covered by these crime extensions of coverage, except as may be specifically stated to the contrary in these crime extensions of coverage.
- (c) potential income including but not limited to interest and dividends, not realized by the Insured because of a loss covered under these crime extensions of coverage;
- (d) all damages of any type for which the Insured is legally liable, except direct compensatory damages arising from a loss covered under these crime extensions of coverage;
- (e) all costs, fees and other expenses incurred by the Insured in establishing the existence of, or amount of loss covered under the crime extension of coverage.

#### SPECIAL CONDITIONS

The following Special Conditions are applicable to all of the above crime extensions of coverage:

##### 1. Ownership of Property – Interests Covered

The insured property may be owned by the Insured or held by the Insured in any capacity whether or not the Insured is liable for the loss thereof, or may be property as respects which the Insured is legally liable, provided the insurance applies only to the interest of the Insured in such property, including the Insured's liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the Insured's proof of loss.

##### 2. Limits of Liability – Settlement Options

The limit of the Insurer's liability for loss shall not exceed the applicable amount of insurance specified for each crime extensions of coverage, nor what it would cost at the time of loss to repair or replace the property with other of like kind or quality, nor as respects securities the actual cash value thereof at the close of business on the business day next preceding the day on which the loss other property held by the Insured as a pledge, or as collateral for an advance or loan, shall be deemed not to exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor, in the absence of such record, the unpaid

portion of the advance or loan plus accrued interest thereon at legal rates.

The Insurer may pay for the loss in money or may repair or replace the property and may settle any claim for loss of property either with the Insured or the owner thereof. At property so paid for or replaced for which the Insurer has made indemnification shall become the property of the Insurer. Any property recovered after settlement of a loss shall be applied first to the expense of the parties making such recovery, with any balance applied as if the recovery had been made prior to such settlement, and loss readjusted accordingly. The Insured or the Insurer, upon recovery of any such property, shall give notice thereof as soon as practicable to the other.

Under Coverages A and E, with respect to loss caused by any person (whether one of the employees or not) and which occurs partly during the period of the policy and partly during the period of other bonds or policies issued by the Insurer to the Insured or to any predecessors 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 thereunder is discovered, the total liability of the Insurer under this policy and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under the applicable crime extensions of coverage on such loss or the amount available to the Insured under Coverages A and E, the applicable amount of insurance specified for each crime extension of coverage is the total limit of the Insurer's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. Any loss caused by any person or in which such person is concerned or implicated, or any loss incidental to an actual or attempted burglary or robbery, shall be deemed to arise out of one occurrence.

**3. Non-Accumulation of Limit of Liability**

Regardless of the number of years this policy remains in force, no Limit of Liability accumulates from year to year or policy period to policy period.

**4. Insured's Duties When Loss Occurs**

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

- (a) give notice thereof as soon as practicable to the Insurer or any of its authorized agents and, except under Coverages A and E, also to the police if the loss is due to violation of law;
- (b) file detailed proof of loss, duly sworn to, with the Insurer within four months after the discovery of loss, Proof of loss under Coverage E shall include the instrument which is the basis of claim for such loss. If it shall be impossible to file such instrument, the affidavit of the Insured or the Insured's bank of deposit setting forth the amount and cause of loss shall be accepted in lieu thereof;
- (c) upon the Insurer's request, submit to examination by the Insurer, subscribe the same, under oath if required, and produce for the Insurer's examination pertinent records, all at such reasonable times and places as the Insurer shall designate, and shall co-operate with the Insurer in all matters pertaining to loss or claims with respect thereto.

**5. Superseded Insurance**

If similar insurance of the Insured, consisting of one or more policies affording continuous coverage, terminated with the beginning of the policy period, loss, to the extent that it is not insured under such prior insurance solely because of late discovery, shall be deemed to have occurred on the first day of the policy period.

**6. No Benefits to Bailee**

The Insurance afforded by Coverages B and C of this extension shall not enure directly or indirectly to the benefit of any carrier or other bailee for hire.

**7. Subrogation**

In the event of any payment under this Crime Extensions of coverage, 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 a loss to prejudice such rights.

**8. Waiver of Term or Condition**

No term or condition of this form shall be deemed to be waived by this Insurer in whole or in part unless the

waiver is clearly expressed in writing by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this form by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this form.

## **DEFINITIONS**

Wherever used in this Crime Extensions of Coverage:

- (a) "Banking Premises" means the interior of that portion of any building which is occupied by a banking institution in conducting its business.
- (b) "Custodian" means the Insured or any employee who is duly authorized by the Insured or a partner of the Insured to have the care and custody of the insured property within the premises, excluding any person while acting as a watchman, porter or janitor.
- (c) "Computer Theft" means the loss of or damage to "money" or "securities" resulting directly from the use of any computer to fraudulently cause a transfer "money" or "securities" from inside the "premises" or "banking premises":
  - i) To a person (other than a messenger) outside the "premises";
  - ii) To a place outside the "premises".
- (d) "Employee" means any natural person (except a director or trustee of the Insured, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the regular service of the Insured in the ordinary course of the Insured's business during the policy period and whom the Insured compensates by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agency or representative of the same general character. As applied to loss under Coverage A, the above words "while in the regular service of the Insured" shall include as many of the first 30 days thereafter as are within the policy period.
- (e) "Fraudulent or Dishonest Acts" means only fraudulent or dishonest acts committed by such employee with the manifest intent:
  - i) To cause the Insured to sustain such loss; and
  - ii) To obtain financial benefit for the employee, or for any other person or organization intended by the employee to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.
- (f) "Funds Transfer Fraud" means:
  - i) Electronic Instructions  
Fraudulent electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions issued to a Financial Institution directing such institution to debit a "Transfer Account" and to transfer, pay or deliver funds from such account by use of an electronic transfer system at specified intervals or under specified conditions, which instructions purport to have been transmitted by the Insured or by a person duly authorized by the Insured to issue such instructions but which have been fraudulently transmitted by someone other than the Insured without the Insured's knowledge or consent.
  - ii) Written Instructions  
Fraudulent written instructions (other than those described in Coverage E) issued to a Financial Institution directly such institution to debit a "Transfer Account" by use of an electronic funds transfer system at specified intervals or under specified conditions which written instructions purport to have been issued by the Insured but were in fact fraudulently issued, forged or altered by someone other than the Insured without the Insured's knowledge or consent.

- (g) "Messenger" means the Insured or a partner of the Insured or any employee who is duly authorized by the Insured to have the care and custody of the insured property outside the premises.
- (h) "Money" means currency, coins, bank notes and bullion, travellers cheques, register cheques and money orders held for sale to the public.
- (i) "Premises" means the interior of that portion of any building at a location specified on the "Declarations Page" which is occupied by the Insured in conducting its business. As respects robbery only, the premises shall also include the space immediately surrounding such building.
- (j) "Robbery" means the taking of insured property:
  - i) by violence inflicted upon a messenger or a "custodian";
  - ii) by putting the messenger or "custodian" in fear of violence;
  - iii) by any other felonious act committed in the presence of a messenger or "custodian" and of which he/she was actually cognizant, provided such other act is not committed by an officer, partner, or employee of the Insured;
  - iv) from a messenger or "custodian" who while having custody of the insured property has been killed or rendered unconscious;
  - v) from within the premises by means of compelling a messenger or "custodian" by violence or threat of violence while outside the premises to admit a person into the premises or to furnish tem with means of ingress into the premises.
- (k) "Safe Burglary" means the felonious abstraction of:
  - i) a safe from within the premises;
  - ii) insured property from within a vault or safe located within the premises by a person making a felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by at least one combination or time lock thereon, provided that such entry shall be made by actual force and violence, of which force and violence there are visible marks upon the exterior of all such doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made if not made through such doors.
- (l) "Securities" means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.
- (m) "Transfer Account" means an account, maintained by the Insured at a Financial Institution, from which the Insured or the Insured's authorized representatives can initiate the transfer, payment or delivery of "money" or "securities";
  - i) by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly or through an electronic funds transfer system; or
  - ii) by means of written instructions (other than those described in Coverage E) establishing the conditions under which such transfers are to be initiated by such Financial Institution through an electronic funds transfer system.

## 28. Definition

With the exception of Extension 27. 3D Crime Coverage, wherever used in this endorsement or with respect to any coverage provided by this endorsement, "premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at:

- i) Each location described on the "Declarations Page";

- ii) Temporary Locations and any Newly Acquired Location insured by this endorsement; and in or on vehicles within 100 metres (328 feet) of such locations.

This endorsement, except as specifically modified herein, is subject to all of the terms and conditions of the form and policy to which it is attached.



**Property Extension Endorsement Schedule – Attached to Form # 403700AL**

The limits of insurance specified below are the limits of the extensions of coverage provided in form PR76 which attaches to this schedule. The limits provided for Stock Spoilage, Building By-Laws and the 25% sub-limit applicable to Debris Removal do not increase the amount of insurance provided by this policy. All other limits shown in this Schedule apply as additional amounts of insurance; however, if a specific monetary limit is shown on the “Declaration Page” for any coverage expressly provided for in the Schedule, the specific monetary limit on the “Declaration Page” shall apply and the limits shown below are not provided for the same item of coverage.

<i><b>Limits of Insurance</b></i>	<i><b>Coverage Extension</b></i>	<i><b>Limits of Insurance</b></i>	<i><b>Coverage Extension</b></i>
	<b>Personal Property of Officers and Employees</b>	\$10,000	<b>Building Damage by Theft</b>
\$2,500	Any one officer/employee		
\$25,000	Any one occurrence	\$50,000	<b>Extra Expense</b>
\$25,000	<b>Accounts Receivable</b>	\$50,000	<b>Valuable Papers</b>
\$25,000	<b>Stock Spoilage</b>	\$25,000	<b>Off Premises Services Interruption</b>
Included	<b>Building By-Laws</b>	\$10,000	<b>Electronic Data Processing Equipment and Media Systems Breakdown Coverage</b>
		\$10,000	
Included	<b>Inflation Protection</b>		<b>Fine Arts</b>
\$25,000	<b>Exhibition Coverage</b>	\$2,500	Maximum value any one item
		\$25,000	Any one occurrence
\$25,000	<b>Automatic Fire Suppression System Recharge Expense</b>		
		\$10,000	<b>Installation Floater</b>
\$25,000	<b>Brands and Labels</b>		
		\$25,000	<b>Professional Fees</b>
\$25,000	<b>Fire Fighting Expenses</b>		
		Included	<b>Exterior Building Glass</b>
\$25,000	<b>Temporary Locations</b>		
		\$5,000	<b>Signs</b>
	<b>Newly Acquired Locations (90 Days)</b>		
\$1,000,000	Building	\$10,000	<b>Master Key</b>
\$500,000	Contents		
			<b>3D Crime Coverage</b>
7 Day	<b>Removal</b>	\$5,000	Employee Dishonesty
25%	<b>Debris removal</b>	\$5,000	Loss Inside the Premises
\$25,000	<b>Removal of Windstorm debris</b>	\$5,000	Loss Outside the Premises
		\$5,000	Money Order and Counterfeit Paper
			Currency
\$10,000	<b>Transit</b>	\$5,000	Depositors Forgery
		\$5,000	Computer Theft and Funds Transfer
			Fraud
\$10,000	<b>Contents off Premises in the custody of Sales Representatives</b>		
	<b>Land and Water Pollution Clean Up Expense</b>		
\$10,000	Aggregate		

## **EARTHQUAKE ENDORSEMENT**

This insurance is hereby extended to include loss or damage caused directly by the peril of earthquake subject to the following conditions:

### **1. EARTHQUAKE**

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

Each loss caused by earthquake shall constitute a single claim hereunder, provided that more than one earthquake shock occurring within any one hundred and sixty-eight (168) consecutive hours during the term of this policy shall be deemed a single earthquake within the meaning hereof. Notwithstanding the foregoing, this Insurer shall not be liable for any loss or damage caused by any earthquake shock occurring before this endorsement becomes effective nor for any loss or damage caused by any earthquake shock occurring after the expiration of this policy.

### **2. DEDUCTIBLE CLAUSE**

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 "Declarations Page" in any one occurrence. If a percentage is specified, the amount of the deductible shall be that percentage of the actual cash value (or for those items subject to a replacement cost endorsement, the replacement cost) of the insured property or interest. In Builders Risk policies the percentage shall be applied to "replacement cost" and not to actual cash value.

### **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: fire, explosion, smoke, leakage from fire protective equipment, theft, vandalism and malicious acts, flood of any nature, waves, tidal waves, tsunamis, high water, waterborne objects or ice.

### **4. EXTENSIONS OF COVERAGE**

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

### **5. PRO RATA CLAUSE**

The Insurer shall only be liable for that proportion of a loss payable under this endorsement which the amount insured hereunder bears to the total amount of insurance covering the peril of fire on the same property. If the policy covers two or more items this provision shall apply to each item separately.

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

## **FLOOD EXTENSION**

This Policy is hereby extended to include loss of or damage to the property insured herein caused directly by the peril of Flood.

"Flood" means waves, tides, tidal waves, tsunamis, and the rising of, the breaking out or the overflow of any body of water, whether natural or man made.

Each claim for loss or damage shall be adjusted separately and from the amount so determined the sum as stated on declarations shall be deducted.

## **EXCLUSIONS**

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

- (a) water which backs up through sewers, sumps, septic tanks, or drains;
- (b) water below the surface of the ground including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows, or other openings in such sidewalks, driveways, foundations, walls, or floors;
- (c) any of the following perils whether or not caused by or attributable to flood: fire, explosion, smoke, leakage from fire protective equipment, leakage from a watermain, theft, riot, vandalism, or malicious acts.

## **EXTENSION**

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

## **PRO-RATA CLAUSE**

The Insurer shall only be liable for that proportion of a loss payable under this endorsement which the amount insured hereunder bears to the total amount of insurance against the peril of fire on the same property. If the policy covers two or more items, this provision shall apply to each item separately.

All other terms and conditions of the Policy remain unchanged.

## **SEWER BACKUP COVERAGE ENDORSEMENT**

This insurance is hereby extended to include loss or damage caused directly by the backing up of sewers, sumps or drains, subject to the following conditions:

### **1. DEDUCTIBLE**

Each claim for loss or damage shall be adjusted separately and from the amount so determined the sum as stated on declarations shall be deducted.

### **2. EXCLUSIONS**

This endorsement does not cover loss or damage caused directly or indirectly by:

- a) water which backs up through septic tanks;
- b) water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or other openings in such sidewalks, driveways, foundations, walls or floors.

### **3. PRO RATA CLAUSE**

The Insurer shall only be liable for that proportion of a loss payable under this endorsement which the amount insured hereunder bears to the total amount of insurance covering the same property. If the policy covers two or more items, this provision shall apply to each item separately.



**Policy Number:** As per Market Declarations Page  
**Transaction Number:**  
**Date Issued:**

ALL SYSTEMS GO<sup>®</sup>

## DECLARATIONS

**Name of Insured** - As per Market Declarations Page

Mailing Address	Location(s)	Business
As per Market Declarations Page	As per Market Declarations Page	As per Market Declarations Page

## Producer

As per Market Declarations Page

Policy Period	From	To
As per Market Declarations Page		

<b>Premium</b>	As per Market Declarations Page
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## INSURING AGREEMENT

In return for payment of the premium and subject to all the terms of the policy, we agree with you to provide the insurance as stated in this policy.

In Witness Whereof, The Boiler Inspection and Insurance Company of Canada has caused the policy to be signed by its President and Secretary at Toronto, Ontario.

Senior Vice President and Secretary

President and C.E.O.

**THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE**

Insurance coverage underwritten by The Boiler Inspection and Insurance Company of Canada

**Policy Number:** As per Markel Declarations Page  
**Transaction Number:**  
**Date Issued:**

ALL SYSTEMS GO<sup>®</sup>

## DECLARATIONS (Cont'd)

**Policy form 200G and endorsement(s)** L also form a part of the policy at the date the policy begins.

Throughout the policy, the words “you” and “your” refer to the Insured named in the Declarations. The words “we”, “us”, and “our” refer to the Company providing the insurance coverage.

Section I: Equipment Breakdown Coverage	Coverage Agreement	Limit of Insurance	Deductible
Direct Damage	1a	Unlimited	As per Markel Declarations Page
Business Interruption / Extra Expense	1c	Unlimited	Included
Spoilage	1b	Unlimited	Included
Service Interruption	2b	Unlimited	Included
Hazardous Substances	2d	\$100,000.00	Included
Errors and Omissions	2h	\$100,000.00	Included
Data Restoration	2i	\$25,000.00	Included
Anchor Location	2j	Unlimited	Included
Green Coverage	2k	\$25,000.00	Included
Off Premises Transportable Insured Equipment	2l	\$10,000.00	Included
Public Relations	2m	\$5,000.00	Included
Brands and Labels	2n	\$100,000.00	Included
Contingent Business Interruption	2o	\$25,000.00	Included

Section II: Data Compromise Coverage	Coverage Agreement	Limit of Insurance	Deductible
Response Expenses	2a	Not Included	
Legal Review	2a	Not Included	
Forensic I.T. Review	2a	Not Included	
Public Relations Services	2a	Not Included	
Malware-Related Compromise	2a	Not Included	

Section III: Identity Recovery Coverage	Coverage Agreement	Limit of Insurance	Deductible
Expense Reimbursement Coverage	2b	Not Included	
Lost Wages and Supervision Expenses	2b	Not Included	
Miscellaneous Unnamed Costs	2b	Not Included	

**Identity Recovery Assistance Contact:**  
**IDRclaims@biico.com**

As a policyholder, you receive free access to eRiskHub®, a portal providing valuable data risk management tools, content and resources.

Go to <https://eriskhub.com/hsbbji> Access Code: 691160

THE BOILER INSPECTION AND INSURANCE COMPANY OF CANADA

## SECTION I – EQUIPMENT BREAKDOWN COVERAGE

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### COVERAGE AGREEMENTS

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#### 1. BASIC COVERAGE

If there is a Breakdown or Electronic Circuitry Impairment of Insured Equipment at a Location specified in the Declarations, we will:

- a. pay for loss
  - i) to the Insured Equipment; and
  - ii) to other Insured Property;  
directly damaged by the Breakdown or Electronic Circuitry Impairment;
- b. pay for loss of perishable Insured Property that spoils solely as a result of the Breakdown or Electronic Circuitry Impairment;
- c. pay for the Business Interruption/Extra Expense which results solely from the Breakdown or Electronic Circuitry Impairment.

#### 2. OTHER COVERAGES AND LIMITS

##### a. EXPEDITING EXPENSES

If there is a Breakdown or Electronic Circuitry Impairment of Insured Equipment, we will 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 Breakdown or Electronic Circuitry Impairment.

##### b. SERVICE INTERRUPTION

If solely as a result of a Breakdown, but not Electronic Circuitry Impairment, of equipment which is not owned or operated by you and located on or within one thousand (1000) metres of your Location, you incur:

- i) loss of perishable Insured Property which spoils; or
  - ii) Business Interruption/Extra Expense loss;
- we will pay for such loss only if the equipment is also:
- 1) of a type described in the definition of Insured Equipment;
  - 2) owned by the building owner at your Location or public utility company; and
  - 3) used to supply communication, electricity, air conditioning, refrigeration, heating, gas, water or steam services to your Location.

##### SERVICE INTERRUPTION AND CLOUD COMPUTING

We will pay for your loss and expense as defined under Coverage Agreement 1.c. that results from a Breakdown, but not Electronic Circuitry Impairment, of equipment which is not owned or operated by you and which is used to supply Cloud Computing Services to a Location specified in the Declarations, provided that the equipment:

- i) is of a type described in the definition of Insured Equipment; and
- ii) is located within Canada, the United States of America, Puerto Rico or in any other country in which a Location specified in the Declarations is located.

##### c. BY-LAWS

If prior to the time of a Breakdown or Electronic Circuitry Impairment 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, we will pay:

- i) the increase in cost or 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) the increase in Business Interruption/Extra Expense because of the law, by-law, ordinance, regulation, rule or ruling.

##### d. HAZARDOUS SUBSTANCES

If a Hazardous Substance is involved in or released by a Breakdown or Electronic Circuitry Impairment of Insured Equipment, we will pay:

- i) the increase in cost to repair, replace, cleanup or dispose of, affected Insured Property; and
  - ii) the increase in Business Interruption/Extra Expense loss because of the presence of Hazardous Substances;
- however, in no event will we pay more than the limit for Hazardous Substances shown in the Declarations.

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

##### e. PROFESSIONAL FEES

If there is a Breakdown or Electronic Circuitry Impairment of Insured Equipment, we will pay for the reasonable and necessary fees authorized by us and payable to auditors, accountants, lawyers, architects, engineers or other professionals, excepting your own employees, for producing and certifying the information required by us in order to arrive at the amount of loss payable under the policy.

##### f. DENIAL OF ACCESS / CIVIL AUTHORITY

If there is a Breakdown, but not Electronic Circuitry Impairment, of equipment of a type described as Insured Equipment on or within one thousand (1000) metres of your Location and as a result access to your Location is denied, we will pay any resulting Business Interruption/Extra Expense for up to thirty (30) consecutive days.

g. AUTOMATIC COVERAGE

We will automatically cover you for loss from a Breakdown or Electronic Circuitry Impairment at a newly acquired Location for up to ninety (90) days after acquisition provided:

- i) you inform us in writing of the acquisition;
- ii) the equipment is of a type covered in the definition of Insured Equipment;
- iii) you pay an additional premium for the acquisition; and
- iv) any newly acquired location is within Canada, the United States of America, Puerto Rico or in any other country in which a Location is specified in the Declarations.

Any loss will be subject to the highest deductible amount stated in the policy.

h. ERRORS AND OMISSIONS

We will pay you for loss otherwise not payable solely due to any of the following:

- i) any error or unintentional omission by you in the description of any covered Location;
- ii) the failure by you through error to include in the policy any premises owned or occupied by you at the inception date of the policy; or
- iii) any error or unintentional omission by you that results in the cancellation of a Location.

The following conditions apply to this coverage:

- 1) you must notify us of such error or omission immediately upon discovery and report corrections;
- 2) the Location is within Canada, the United States of America, Puerto Rico or within any other country in which a Location is specified in the Declarations;
- 3) you agree to pay an additional premium from the date the Location should have been insured had no error or omission occurred;
- 4) the deductible amount for such coverage will be the amount shown in the Declarations; and
- 5) we shall be liable for loss under this coverage only to the extent that we would have been liable had the error or omission not occurred; however, in no event will we pay more than the limit for Errors and Omissions shown in the Declarations.

i. DATA RESTORATION

We will pay for your loss and expense as defined under Coverage Agreements 1.a. and 1.c. for the cost of gathering or reproducing Data if such Data is lost or damaged as a result of the following:

- i) a Breakdown or Electronic Circuitry Impairment to Insured Equipment; or
- ii) a Breakdown, but not Electronic Circuitry Impairment, to equipment not owned or operated by you which is used to supply Cloud Computing Services to a Location specified in the Declarations provided that the equipment is of a type described in the definition of Insured Equipment;

however, in no event will we pay more than the limit for Data Restoration shown in the Declarations.

We will not pay 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.

j. ANCHOR LOCATION

We will pay for your loss and expense as defined under Coverage Agreement 1.c. that results from a Breakdown, but not Electronic Circuitry Impairment, of equipment you do not own or operate and is located at an Anchor Location, but only if the equipment is of a type described in the definition of Insured Equipment.

k. GREEN COVERAGE

- i) Under Coverage Agreement 1.a., if Insured Equipment requires repair or replacement due to a Breakdown or Electronic Circuitry Impairment, we will pay the additional cost:
  - 1) to repair or replace damaged property, whichever is the lesser of the cost at the time of a Breakdown or Electronic Circuitry Impairment, using equipment, materials and service firms required or recommended by a Recognized Environmental Standards Program;
  - 2) to dispose of damaged property or equipment, if practicable, through a recycling process; and
  - 3) to flush out reconstructed space with up to one hundred (100) percent outside air using new filtration media.
- ii) With respect to any building that is Insured Property and was, at the time of the Breakdown or Electronic Circuitry Impairment, certified by a Recognized Environmental Standards Program, we will pay the additional costs:
  - 1) to prevent lapse of such certification;
  - 2) to reinstate the certification or replace it with an equivalent certification;
  - 3) for an engineer authorized by a Recognized Environmental Standards Program to oversee the repair or replacement of the damaged Insured Property; and
  - 4) for a professional engineer to commission or recommission your damaged mechanical, electrical, or electronic building systems.
- iii) As used in this coverage, additional costs mean those beyond what would have been payable in the absence of this Green Coverage.
- iv) This coverage is subject to the following provisions:
  - 1) This coverage applies in addition to any coverage that may apply under the Environmental and Efficiency Improvements condition, or any other applicable coverage.
  - 2) This coverage only applies to Insured Property that must be repaired or replaced as a direct result of a Breakdown or Electronic Circuitry Impairment.
  - 3) This coverage does not apply to any Insured Property to which Actual Cash Value applies.

In no event will we pay more than the limit for Green Coverage shown in the Declarations.

l. OFF PREMISES TRANSPORTABLE INSURED EQUIPMENT



We will pay for your loss and expense as defined in Coverage Agreements 1.a. and 1.c. from a Breakdown or Electronic Circuitry Impairment to transportable Insured Equipment that at the time of the Breakdown or Electronic Circuitry Impairment are not at a Location specified in the Declarations provided that the transportable Insured Equipment:

- i) is of a type described in the definition of Insured Equipment; and
- ii) is at a location within Canada, the United States of America, Puerto Rico, or any other country in which a Location specified in the Declarations is located.

Our liability for loss to any transportable Insured Equipment that is three (3) years old or more from the date of purchase new, is its Actual Cash Value.

We will not pay for loss under this Coverage to transportable Insured Equipment:

- 1) which are manufactured or distributed by you for sale; or
  - 2) resulting from collision, upset or external impact;
- however, in no event will we pay more than the limit for Off Premises Transportable Insured Equipment shown in the Declarations.

m. PUBLIC RELATIONS

We will pay for loss under Business Interruption Coverage as defined in Coverage Agreement 1.c. for reasonable costs for professional public relations services to create and disseminate communications, when the need for such communications arises directly from interruption of your business. These communications must be directed to one or more of the following:

- i) the media;
- ii) the public; or
- iii) your customers, clients or members.

Such costs must be incurred during the period of time that begins at the time of the Breakdown or Electronic Circuitry Impairment and continues until:

- 1) thirty (30) consecutive calendar days after the date the Insured Property is repaired or replaced; or
- 2) the length of time as would be required with the exercise of due diligence and dispatch to rebuild, repair or replace such Insured Property as has been destroyed or damaged by the Breakdown or Electronic Circuitry Impairment;

however, in no event will we pay more than the limit for Public Relations shown in the Declarations.

n. BRANDS AND LABELS

If branded or labeled merchandise that is Insured Property is damaged as a direct result of a Breakdown or Electronic Circuitry Impairment, but retains a salvage value, you may:

- i) stamp the word SALVAGE on the merchandise or its containers if the stamp will not physically damage the merchandise; or
- ii) remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with any applicable law.

We will pay for the reasonable and necessary expenses you incur to perform either of these two actions to the extent that they do not exceed the amount recoverable from salvage.

We will not pay for loss under this Coverage if coverage is provided by any other policy of insurance in effect at the time of the loss whether collectable or not.

In no event will we pay more than the limit for Brands and Labels Coverage shown in the Declarations.

o. CONTINGENT BUSINESS INTERRUPTION

We will pay for your loss under Business Interruption Coverage described in Coverage Agreement 1.c., from a Breakdown, but not Electronic Circuitry Impairment, to equipment not owned, operated or controlled by you provided that the equipment:

- i) is of a type described in the definition of Insured Equipment; and
- ii) is located at the premises of any company that is located within Canada, the United States of America, Puerto Rico, or any other country in which a Location specified in the Declarations is located which is:
  - 1) a Customer Location, being property to which your product(s) is shipped, which wholly or partially prevents the acceptance of product(s) produced by you and results in a necessary interruption of your business,
  - 2) a Supplier Location, being property of supplier(s) of materials to you, which wholly or partially prevents the delivery of material(s) to you and results in a necessary interruption of your business.

The following provisions shall apply to this Coverage:

- i) As respects any Insured Equipment, we will not pay for loss from the explosion of said Insured Equipment other than:
  - 1) any steam boiler, steam piping, steam turbine, gas turbine, steam engine; or
  - 2) any machine when such loss is caused by centrifugal force or mechanical breakdown.
- ii) As respects any catalyst within any Insured Equipment, the catalyst shall not be considered to be part of the Insured Equipment and we will not pay for loss caused by or resulting from damage to the catalyst.

In no event will we pay more than the limit for Contingent Business Interruption Coverage shown in the Declarations.

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## EXCLUSIONS

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We will not pay for:

1. loss caused by or resulting from nuclear reaction or radiation, or radioactive contamination, however caused;
2. loss caused by or resulting from:
  - a. war, including undeclared civil war;
  - b. 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
  - c. insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these;but unless associated with the foregoing, we do cover loss from a Breakdown or Electronic Circuitry Impairment of Insured Equipment arising out of any strike, riot, civil commotion, acts of sabotage, vandalism or malicious acts by others;
3. loss caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

As used herein 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) for the purpose of influencing any government and/or instilling fear in the public or a section of the public;
4. loss caused by or resulting from pollution, contamination or damage by a Hazardous Substance, however caused, except as provided in Coverage Agreement 2.d.;
5. 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:

  - a. the erasure, destruction, corruption, misappropriation or misinterpretation of Data;
  - b. any error in creating, amending, entering, deleting or using Data;
  - c. the inability to receive, transmit or use Data; or
  - d. the impact of any malware 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, we do cover loss that ensues solely from the Breakdown or Electronic Circuitry Impairment of any other Insured Equipment;
6. loss from a Breakdown or Electronic Circuitry Impairment caused by or resulting from:
  - a. earth movement, including but not limited to earthquake, landslide, mud flow, subsidence, volcanic eruption, tidal wave or tsunami;
  - b. wind, including but not limited to cyclone, tornado or hurricane;
  - c. flood;
  - d. fire, smoke or combustion explosion;
  - e. water or other means used to extinguish a fire;
  - f. collapse of any building or structure; or
  - g. falling objects, hail or weight of snow, ice or sleet;
7. loss caused by or resulting from:
  - a. fire, smoke or combustion explosion that occurs at the same time as a Breakdown or Electronic Circuitry Impairment or that ensues from a Breakdown or Electronic Circuitry Impairment. However, with respect to any Insured Equipment which is an electrical or electronic machine or apparatus, we will pay for the fire damage within such machine or apparatus which occurs at the same time as a Breakdown or Electronic Circuitry Impairment or that ensues from a Breakdown or Electronic Circuitry Impairment.
  - b. lightning, if coverage for that cause of loss is provided by any other policy of insurance in effect at the time of the loss whether collectible or not;
  - c. escape of water resulting from a Breakdown or Electronic Circuitry Impairment unless:
    - i) coverage is not provided by any other insurance in effect at the time of the loss; and
    - ii) the water escapes from Insured Equipment that normally contains water or steam;
  - d. damage to Data except as provided in Coverage Agreement 2.i.; or
  - e. except as provided in Coverage Agreements 1.b. and 1.c., any other indirect result of a Breakdown or Electronic Circuitry Impairment;

8. under any Business Interruption/Extra Expense coverage
- loss during any time during which business could not or would not have been carried on if the Breakdown or Electronic Circuitry Impairment had not occurred;
  - loss resulting from your failure to use due diligence and dispatch to resume as soon as possible complete or partial operations of the business;
  - finest or damages for breach of contract; or
  - any penalties.

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## DEFINITIONS

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### 1. BREAKDOWN

Breakdown means sudden and accidental physical damage to equipment resulting in failure of the equipment which requires the repair or replacement of the equipment or part of the equipment.

Breakdown does not mean:

- depletion, deterioration, corrosion or erosion of material;
- wear and tear;
- the functioning of any safety or protective device; nor
- the failure of a structure or foundation supporting the equipment or a part of the equipment.

### 2. ELECTRONIC CIRCUITRY IMPAIRMENT

Electronic Circuitry Impairment shall mean a sudden and accidental failure of the Electronic Circuitry of Insured Equipment, in your care, custody or control, that causes the Insured Equipment to suddenly lose its ability to function as it had been functioning immediately before the failure.

Electronic Circuitry Impairment shall not mean:

- any condition that can be remedied by:
  - normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
  - rebooting, reloading or updating software or firmware; nor
  - providing necessary power or supply.
- any condition caused by or related to:
  - incompatibility of the Insured Equipment with any software or equipment installed, introduced or networked within the prior thirty (30) days; or
  - insufficient size, capability or capacity of the Insured Equipment.
- exposure to adverse environmental conditions including, but not limited to, change in temperature or humidity, unless such condition results in a loss of functionality. Loss of warranty shall not be considered a loss of functionality.

### 3. INSURED EQUIPMENT

Insured Equipment is any equipment owned, leased, operated or controlled by you as described below:

- any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any piping connected thereto and its accessory equipment, any heat exchanger that forms part of forced air heating equipment, but not including:
  - any boiler setting, any refractory or insulating material;
  - any part of a boiler or fired pressure vessel that does not contain steam or water; nor
  - buried piping, drainage piping, sprinkler piping and its accessory equipment;
- any mechanical or electrical equipment used for the generation, transmission or utilization of mechanical or electrical power; but not including:
  - any vehicle or self-propelled mobile equipment; nor
  - any lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system;
- any electronic equipment or fibre optic cable, but not including:
  - any anode tube, x-ray tube, video amplifier or klystron tube; nor
  - any laser cartridge.

### 4. INSURED PROPERTY

Insured Property is:

- Property you own; or
- Property of others in your care, custody or control and for which you are legally liable.

### 5. BUSINESS INTERRUPTION/EXTRA EXPENSE

Business Interruption/Extra Expense is:

- the actual loss sustained by your business because of the loss of gross profit due to reduction in business revenue, and
- the reasonable and necessary extra expense you incur in order to either resume or continue the normal operation of business.

## 6. HAZARDOUS SUBSTANCE

A Hazardous Substance is:

- a. any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
- b. any mould, yeast, fungus or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, fungus or mildew, whether or not allergenic, pathogenic or toxigenic.

## 7. DATA

Data means facts, concepts, information or software in a form usable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment.

## 8. MEDIA

Media means material on which Data is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.

## 9. ONE BREAKDOWN

If either the Breakdown or Electronic Circuitry Impairment of Insured Equipment causes the Breakdown or Electronic Circuitry Impairment of other Insured Equipment or a series of Breakdowns or Electronic Circuitry Impairments occur at the same time as a result of the same cause, they will all be considered as one Breakdown.

## 10. ELECTRONIC CIRCUITRY

Electronic Circuitry means microelectronic components, including, but not limited to, circuit boards, integrated circuits, computer chips and disk drives.

## 11. CLOUD COMPUTING SERVICES

Cloud Computing Services means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (Infrastructure as a Service), PaaS (Platform as a Service), SaaS (Software as a Service) and NaaS (Network as a Service). This includes business models known as public clouds, community clouds and hybrid clouds. Cloud Computing Services include private clouds if such services are owned and operated by a third party.

## 12. LOCATION

Location means the premises owned or occupied by you at the address shown in the Declarations.

## 13. RECOGNIZED ENVIRONMENTAL STANDARDS PROGRAM

Recognized Environmental Standards Program means one of the following:

- a. The ENERGY STAR® program;
- b. The Canadian Green Building Council LEED® program; or
- c. Any nationally or internationally recognized environmental standards program designed to achieve energy savings and related objectives of the type included in the programs listed above.

## 14. ANCHOR LOCATION

Anchor Location means a Location, operated by others, upon which you depend to attract customers to your Location. An Anchor Location must have been open for business for at least six (6) months prior to the Breakdown or Electronic Circuitry Impairment, and must be located within one thousand (1000) metres of your Location.

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## CONDITIONS

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### 1. POLICY PERIOD

For coverage to apply under this policy Section, the Breakdown or Electronic Circuitry Impairment must occur within the Policy Period in the Declarations. Coverage begins and ends at 12:01 a.m. Standard Time at the Location where the Breakdown or Electronic Circuitry Impairment occurs.

### 2. ADDITIONAL INSURED

If a person or organization is named in the policy as Additional Insured, we will consider them to be an insured under the policy as their interest may appear.

### 3. UNINSURED EQUIPMENT

If any equipment is shown in the policy as Uninsured Equipment, we will not pay for any loss resulting from the Breakdown or Electronic Circuitry Impairment of such equipment.

### 4. EXAMINATION OF THE BOOKS AND RECORDS

We may examine and audit your books and records as they relate to the policy at any time during the Policy Period and up to three (3) years afterwards.

## 5. INSPECTION

We 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 you or others that the Insured Equipment is safe and not hazardous or injurious to health.

## 6. SUSPENSION

If we find Insured Equipment in or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance against loss from the Breakdown or Electronic Circuitry Impairment of that equipment. We will give you notice of the suspension either at your mailing address or at the Location of the equipment. Once coverage has been suspended, it can only be reinstated by an endorsement to the policy.

If we suspend insurance, you will receive a pro-rata refund of the premium for that equipment for the period that coverage is suspended.

## 7. CHANGES

The policy contains all agreements between you and us concerning the insurance afforded. The policy may only be changed by an endorsement issued by us to form part of the policy.

## 8. TRANSFER OF INTEREST

Your interest in the policy can only be transferred or assigned with our agreement in writing, except when bankruptcy, insolvency or death occurs. In such cases, your legal representative will be covered automatically in place of you but only if we are notified in writing within sixty (60) days of such occurrence.

## 9. MORTGAGEE INTEREST

If the Mortgagee is named in the policy for any covered Location, any loss to your property at that Location will be paid jointly to you and the Mortgagee as interests may appear.

While we have the right to cancel the policy, if a Mortgagee is named, we will also mail a copy of the notice of cancellation to the Mortgagee at the address shown for them in the policy. We will protect the Mortgagee's interest for fifteen (15) days after the date we mail the copy. If you want to cancel the policy, we will send details of your request to the Mortgagee and continue their protection for fifteen (15) days in the same way.

Suspension of coverage as described in the Suspension Condition, will suspend all coverage, including the Mortgagee's interest. However, we will provide them with a copy of the written notice at the address shown for them in the policy.

## 10. CANCELLATION

The policy may be cancelled at any time by you or by us. You may cancel by notifying us in writing of the date thereafter you want your coverage to end. We will refund to you seventy-five (75) percent of the unearned premium.

We may cancel by mailing to you or personally delivering to you written notice stating the date of cancellation of the policy. We will notify you at least:

- a. fifteen (15) days before coverage ends if we cancel for non-payment of premium; or
- b. thirty (30) days before coverage ends if we cancel for any other reason.

If we cancel by mail, we will use registered mail and the notice period will begin on the day after it arrives at the post office from which it is delivered to you. If we cancel, we will refund to you the pro-rata unearned premium.

## 11. NOTICE OF LOSS

When a Breakdown or Electronic Circuitry Impairment occurs which may result in loss under the policy, you or your representative must notify us immediately and provide written confirmation as soon as possible.

## 12. DUTIES IN THE EVENT OF LOSS OR DAMAGE

In the event of loss or damage following a Breakdown or Electronic Circuitry Impairment of Insured Equipment:

- a. you must take the measures necessary to salvage or protect Insured Property from further damage. You must however allow us reasonable time and opportunity to examine the damaged property before physical evidence of the Breakdown or Electronic Circuitry Impairment is removed;
- b. you must reduce your loss, if possible, by:
  - i) resuming business, either partially or completely;
  - ii) using merchandise or other property available to you;
  - iii) using the property or services of others;
- c. you must assist us in investigating and adjusting the claim, including making property and records available for us to see, and permitting us to question you and your employees about any matter relating to the insurance or the claim; and
- d. you must send us a signed statement of loss containing the information we require to settle the claim.

## 13. BASIS OF SETTLEMENT

### a. PROPERTY DAMAGE

Under Coverage Agreement 1.a., we will pay for Insured Property which is damaged as follows:

- i) on business records, including Media and Data the cost of blank material plus the cost of transcription from duplicates or from originals;

- ii) 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;
- iii) on all other Insured Property, the lesser of the cost at the time of the Breakdown or Electronic Circuitry Impairment
  - 1) to repair, or
  - 2) to replace with similar property of like kind, capacity, size, quality and function.

We will not pay for:

- 1. cost of repairing any part or parts of a piece of equipment which is greater than the cost of repairing or replacing the entire piece of equipment;
- 2. more than the cost for you to replace the property with other property of like kind, capacity, size, quality and function, except as described in Condition 13.b. Environmental and Efficiency Improvements;
- 3. more than the cost for you to replace the damaged property at the same or adjacent site; nor
- 4. loss or damage to property which is useless or obsolete to you.

If you do not repair or replace the damage property within twenty four (24) months after the date of the Breakdown or Electronic Circuitry Impairment then we will only pay 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, quality and function less depreciation however caused. We will consider such items as the age, condition and normal life expectancy of the property in determining depreciation.

**b. ENVIRONMENTAL AND EFFICIENCY IMPROVEMENTS**

Under Coverage Agreement 1.a., if Insured Equipment requires replacement due to a Breakdown or Electronic Circuitry Impairment, we will pay your additional cost to replace with equipment that is better for the environment, or more efficient than the equipment being replaced. However, we will not pay more than one hundred fifty (150) percent of what the cost would have been to replace with like, kind, capacity, size, quality and function.

This provision does not apply to any property valued or insured on an Actual Cash Value basis.

**c. SPOILAGE**

Under Coverage Agreement 1.b., we will pay the amount you spend to replace perishable Insured Property which spoils solely as a result of the Breakdown or Electronic Circuitry Impairment of Insured Equipment. If the Insured Property is not replaced, we will only pay for the Actual Cash Value of the property.

**d. BUSINESS INTERRUPTION/EXTRA EXPENSE**

Under Coverage Agreement 1.c., we will pay until the earlier of:

- i) the date the revenue and operations of the business return to normal, or
- ii) twelve (12) months from the date of the Breakdown or Electronic Circuitry Impairment.

**14. DEDUCTIBLE**

From the total amount of loss, damage and expense for which we are liable following any One Breakdown of Insured Equipment, we will subtract the Deductible shown in the Declarations.

If more than one Deductible is shown in the Declarations and is applicable to loss from any One Breakdown, only one Deductible shall be applied and that shall be the largest of the applicable Deductibles.

**15. PAYING LOSSES**

We will make payment to you or as you direct us in writing except that:

- a. if there is a Mortgagee or Additional Insured shown in the policy, we will make payment jointly to them as well as you, and
- b. if there is a Loss Payee shown in the policy, we will make payment to the person or organization shown as Loss Payee together with any Mortgagee or Additional Insured.

## 16. RECOVERY FROM OTHERS

When we make payment, the rights you may have to recover all or part of your loss from someone else are transferred to us to the extent of our payment. You must give us any legal documents and other assistance we may require to pursue such rights. You must not do anything to waive or prejudice these rights of recovery.

## 17. OTHER INSURANCE

If you have other insurance which would apply to a loss covered by this policy if this policy did not exist, this insurance shall apply only as excess insurance over the other insurance provided, however;

- a. in the event the other insurance contains a similar other insurance clause, this policy produces its effects in proportion to all the insurance in force up to the amount of the loss. For this sole purpose of determining our contribution to a loss under this sub-paragraph, the amount of insurance under this policy is deemed to be the total value of the property insured at the Location as the last reported to and on file with us;
- b. in the event that the other insurance is of a class other than boiler and machinery insurance, we shall be liable for and only for the proportion of the loss set out in sub-paragraph a. above.

## 18. ACTION AGAINST US

You cannot bring action against us in connection with this policy unless you have first complied with all of its terms and conditions or unless commenced within fourteen (14) months from the date of the Breakdown or Electronic Circuitry Impairment. If this limitation of time is shorter than the prescribed applicable statute, it is agreed such statutory limitation of time shall apply.

## 19. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this policy without any additional premium within forty-five (45) days prior to or during the policy period, the broadened coverage will apply immediately to this policy.

## 20. LIMIT OF LIABILITY

The most we will pay under Coverage Agreement 1 for any One Breakdown is the Limit of Insurance shown in the Declarations for this Coverage.

The Limits of Insurance shown for Coverage Agreement 2, Other Coverages and Limits, will not increase the Limit of Insurance shown on the Declarations for Coverage Agreement 1.

## SECTION II – DATA COMPROMISE COVERAGE

If limits are shown under Section II – Data Compromise Coverage in the Declarations, the following coverage will apply.

The coverage, limits, deductibles and service provided under this section are separate from Section I – Equipment Breakdown Coverage. The Conditions, except for Conditions 1, 3, 5, 6, 9, 13, 14, 15, 19 and 20 from Section I – Equipment Breakdown Coverage also applies to this Section, provided, however, that for the purposes of this Section only, wherever the term Breakdown, One Breakdown or Breakdown of Insured Equipment is used, the term Personal Data Compromise shall be substituted.

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### COVERAGE AGREEMENTS

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#### 1. DATA COMPROMISE AGREEMENT

Any coverage under this Section Applies only if all of the following conditions are met:

- a. there has been a Personal Data Compromise;
- b. such Personal Data Compromise is first discovered by you during the policy period for which this Data Compromise Coverage is applicable; and
- c. such Personal Data Compromise is reported to us within a reasonable period of time after it is first discovered by you.

#### 2. COVERAGES AND LIMITS

##### a. RESPONSE EXPENSES COVERAGE

If all three conditions listed above in 1. Data Compromise Agreement have been met, then we will provide coverage for the following expenses directly arising from the Personal Data Compromise:

- i) legal review  
We will pay your necessary and reasonable expense for outside professional legal counsel review of the Personal Data Compromise and how you should best respond to it.
- ii) forensic information technology (it) review  
We will pay your necessary and reasonable expense for outside professional information technology review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the Personal Data Compromise and the number of identities of the Affected Individuals.
- iii) regulatory notifications  
We will pay your necessary and reasonable expenses to provide notification of the Personal Data Compromise to the Office of the Privacy Commissioner of Canada and any other regulatory authority as required.
- iv) notification to affected individuals  
We will pay your necessary and reasonable expenses to provide notification of the Personal Data Compromise to Affected Individuals.
- v) services to affected individuals  
We will pay your necessary and reasonable expenses to provide the following services to Affected Individuals:
  - 1) Information Materials  
A packet of loss prevention and customer support information.
  - 2) Help Line  
A toll-free telephone line for Affected Individuals with questions about the Personal Data Compromise or wanting to request the additional services of Fraud Alert and Identity Restoration Case Management, described below.
  - 3) Fraud Alert  
An alert placed on a credit file advising the creditor to validate the legitimacy of a credit application by contacting the Affected Individual. This service is initiated by the Affected Individual contacting the designated service provider who will provide assistance with placement alerts with all designated Canadian credit bureaus.
  - 4) Identity Restoration Case Management  
As respects any Affected Individual who is, or appears to be, a victim of Identity Theft that may reasonably have arisen from the Personal Data Compromise, the services of an identity restoration professional who will assist that Affected Individual through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.
- vi) public relations services  
We will pay your necessary and reasonable expenses for a professional public relations firm review of and response to the potential impact of the Personal Data Compromise on your business relationships. This includes costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with Affected Individuals; however, we will not pay for promotions:
  - 1) Provided to any of your directors or employees; or
  - 2) Costing more than \$25 per Affected Individual.



b. RESPONSE EXPENSES LIMIT

The most we will pay under 2.a. Response Expenses Coverage is the Response Expenses Limit shown in the Declarations. If a Personal Data Compromise is first discovered in one policy period but causes covered expenses in other policy periods, all covered expenses arising from such Personal Data Compromise will be subject to the Response Expenses Limit applicable to the policy period when the Personal Data Compromise was first discovered.

The Response Expenses Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under paragraph 2.a. Response Expenses Coverage, arising out of all Personal Data Compromise events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of Personal Data Compromise events occurring during that period.

The most we will pay under each of the coverages listed in 2.a. for loss arising from any one Personal Data Compromise is the amount shown for that coverage in the Declarations. This limit is part of, and not in addition to, the Response Expenses Limit.

Public Relations Services Coverage is also subject to a limit per Affected Individual as described in 2.a.vi) Public Relations Services. This limit is part of, and not in addition to, the Response Expenses Limit.

The most we will pay under Response Expenses coverage for loss arising from any Malware-Related Compromise is the sublimit shown for that coverage in the Declarations. This limit is part of, and not in addition to, the Response Expenses Limit.

Coverage for Services to Affected Individuals is limited to the expenses to provide such services for a period of up to twelve (12) months from the date of the notification to the Affected Individuals. Except that coverage for Identity Restoration Case Management services initiated within such twelve (12) months period will continue for a period of up to twelve (12) months from the date such Identity Restoration Case Management services are initiated.

c. RESPONSE EXPENSES DEDUCTIBLE

Response Expenses Coverage is subject to the Response Expenses Deductible shown in the Declarations. You will be responsible for such Deductible amount as respects each Personal Data Compromise covered under this Section.

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## EXCLUSIONS

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The following additional exclusions apply to this Section.

We will not pay for costs arising from any of the following:

1. your intentional or wilful complicity in a Personal Data Compromise;
2. any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you;
3. any Personal Data Compromise occurring prior to the first inception of this Coverage. However, if you had coverage under another policy that is substantially similar to this Coverage so that your coverage as provided under this Coverage has been continuously in force with no interruption of coverage, then this exclusion will not apply to any Personal Data Compromise occurring after the first inception of such coverage under the other policy;
4. except as specifically provided under Coverage Agreement 2.a.i) 2. Forensic Information Technology (IT) Services, costs to research any deficiency or the costs to correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedures or physical security that may have contributed to a Personal Data Compromise;
5. any fines or penalties. This includes, but is not limited to, fees or surcharges from affected financial institutions;
6. any criminal investigations or proceedings;
7. any threat, extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance;
8. your reckless disregard for the security of Personally Identifying Information in your care, custody or control; and
9. any third party liability or defence costs.

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## ADDITIONAL CONDITIONS

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The following additional conditions apply to coverage under this Section:

## 1. DUE DILIGENCE

You agree to use due diligence to prevent and mitigate costs covered under this Section. This includes, but is not limited to, complying with reasonable and industry-accepted protocols for:

- a. providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;
- b. providing and maintaining appropriate computer and Internet security;
- c. maintaining and updating at appropriate intervals backups for computer data;
- d. protecting transactions, such as processing credit card, debit card and cheque payments; and
- e. appropriate disposal of files containing Personally Identifying Information including shredding hard copy files and destroying physical media used to store electronic data.

## 2. LEGAL ADVICE

We are not your legal advisor. Our determination of what is or is not covered under this Section does not represent advice or counsel from us about what you should or should not do.

## 3. PRE-NOTIFICATION CONSULTATION

You agree to consult with us prior to the issuance of notification of Affected Individuals. We assume no responsibility under this Section for any services promised to Affected Individuals without our prior agreement. If possible, this Pre-Notification Consultation will also include the designated service provider(s) as agreed to under Additional Condition 4. Service Providers.

You must provide the following at our Pre-Notification Consultation with you:

- a. the exact list of Affected Individuals to be notified, including contact information;
- b. information about the Personal Data Compromise that may appropriately be communicated with Affected Individuals; and
- c. the scope of services that you desire for the Affected Individuals. For example, coverage may be structured to provide fewer services in order to make these services available to more Affected Individuals without exceeding the available Response Expense Limit.

## 4. SERVICE PROVIDERS

- a. We will only pay under this Section for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Section. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in Additional Condition 3. Pre-Notification Consultation above, you must come to agreement with us regarding the service provider(s) to be used for the notification to Affected Individuals and services to Affected Individuals as described in Coverage Agreement 2.a.ii) Notification to Affected Individuals and 2.a.iii) Service to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
  - i) such alternate service provider must be approved by us;
  - ii) such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
  - iii) our payment for services provided by an alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

## 5. SERVICES

The following conditions apply as respects any services provided to you or Affected Individual by us, our designees, or any service firm paid for in whole or in part under this Section:

- a. The effectiveness of such services depends on your co-operation and assistance;
- b. Service in the United States of America will be different from service in Canada in accordance with local conditions;
- c. You will have a direct relationship with the professional service firms paid for in whole or in part under this coverage. These firms will work for you; and
- d. We do not warrant that any service will:
  - i) end or eliminate all problems associated with the covered events; or
  - ii) be available or applicable to all individuals. For example, Affected Individuals who are minors or foreign nationals may not have credit records that can be provided or monitored.

## 6. COVERAGE TERRITORY

The Personal Data Compromise must occur within the following coverage territory:

- a. Canada; and
- b. The United States of America (including its territories and possessions).

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## DEFINITIONS

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The following Definitions will apply to this Section:

### 1. AFFECTED INDIVIDUAL

Affected Individual means any person who is your current, former or prospective customer, client, member, owner, director or employee and whose Personally Identifying Information is lost, stolen, accidentally released or accidentally published by a Personal Data Compromise covered under this Section.

This definition is subject to the following provisions:

- a. Affected Individual does not include any business or organization. Only an individual person may be an Affected Individual.
- b. An Affected Individual must have a direct relationship with your interests as an insured under this policy. The following are examples of individuals who would not meet this requirement:
  - i) If you aggregate or sell information about individuals as part of your business, the individuals about whom you keep such information do not qualify as Affected Individuals. However, specific individuals may qualify as Affected Individuals for another reason, such as being an employee of yours;
  - ii) If you store, process, transmit or transport records, the individuals whose Personally Identifying Information you are storing, processing, transmitting or transporting for another entity do not qualify as Affected Individuals. However, specific individuals may qualify as Affected Individuals for another reason, such as being an employee of yours; or
  - iii) You may have operations, interests or properties that are not insured under this policy. Individuals who have a relationship with you through such other operations, interests or properties do not qualify as Affected Individuals. However, specific individuals may qualify as Affected Individuals for another reason, such as being an employee of the operation insured under this policy;
- c. An Affected Individual may reside anywhere in the world.

### 2. IDENTITY THEFT

Identity Theft means the fraudulent use of Personally Identifying Information. This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes. Identity Theft does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

### 3. PERSONAL DATA COMPROMISE

Personal Data Compromise means the loss, theft, accidental release or accidental publication of Personally Identifying Information as respects one or more Affected Individuals, if such loss, theft, accidental release or accidental publication has or could reasonably result in the fraudulent use of such information. This definition is subject to the following provisions:

- a. At the time of the loss, theft, accidental release or accidental publication, the Personally Identifying Information need not be at the insured premises but must be in your direct care, custody or control of:
  - i) You; or
  - ii) A professional entity with which you have a direct relationship and to which you (or an Affected Individual at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.
- b. Personal Data Compromise includes disposal or abandonment of Personally Identifying Information without appropriate safeguards such as shredding or destruction, subject to the following provisions:
  - i) Your failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
  - ii) Such disposal or abandonment must take place during the time period for which this coverage is effective;
- c. Personal Data Compromise includes situations where there is a reasonable cause to suspect that such Personally Identifying Information has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof; and
- d. All incidents of Personal Data Compromise that are discovered at the same time or arise from the same cause will be considered one Personal Data Compromise.

### 4. PERSONALLY IDENTIFYING INFORMATION

Personally Identifying Information means information that could be used to commit fraud or other illegal activity involving the credit or identity of an Affected Individual. This includes, but is not limited to, Social Insurance Numbers or account numbers correlated with names and addresses. Personally Identifying Information does not mean or include information that is otherwise available to the public, such as names and addresses with no correlated Social Insurance Numbers or account numbers.

### 5. MALWARE-RELATED COMPROMISE

Malware-Related Compromise means a Personal Data Compromise that is caused, enabled or abetted by a virus or other malicious code that, at the time of the Personal Data Compromise, is named and recognized by the CERT® Coordination Center, McAfee®, Secunia, Symantec or other comparable third party monitors of malicious code activity.

## SECTION III – IDENTITY RECOVERY COVERAGE

If limits are shown under Section III – Identity Recovery Coverage in the Declarations, the following coverage will apply.

The coverage, limits, deductibles and service provided under this section are separate from your Equipment Breakdown Coverage. The Conditions, except for Conditions 1, 3, 5, 6, 9, 13, 14, 15, 19 and 20 from your Equipment Breakdown Coverage also applies to this Section, provided, however, that from the purposes of this Section only, wherever the term Breakdown, One Breakdown or Breakdown of Insured Equipment is used, the term Identity Theft shall be substituted.

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### COVERAGE AGREEMENTS

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#### 1. IDENTITY RECOVERY AGREEMENT

Coverage under this Section applies only if all the following conditions are met:

- a. There has been an Identity Theft involving the personal identity of an Identity Recovery Insured under this policy;
- b. Such Identity Theft is first discovered by the Identity Recovery Insured during the policy period for which this Identity Recovery Coverage is applicable; and
- c. Such Identity Theft is reported to us within a reasonable period of time after it is first discovered by the Identity Recovery Insured.

#### 2. COVERAGES AND LIMITS

If all three of the conditions listed above in 1. Identity Recovery Agreement have been met, then we will provide the following to the Identity Recovery Insured.

##### a. CASE MANAGEMENT SERVICE

We will provide the services of an Identity Recovery Case Manager as needed to respond to the Identity Theft.

- i) **Limit**  
Case Management Service is available as needed for any one Identity Theft for up to twelve (12) months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the available Expense Reimbursement Coverage Limit.
- ii) **Deductible**  
Case Management Service is not subject to a deductible.

##### b. EXPENSE REIMBURSEMENT COVERAGE

We will pay for reimbursement of necessary and reasonable Identity Recovery Expenses incurred as a direct result of the Identity Theft.

- i) **Limit**  
Expense Reimbursement Coverage is subject to the Expense Reimbursement Coverage Limit shown in the Declarations. The Expense Reimbursement Coverage Limit is an annual aggregate limit per Identity Recovery Insured. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or expense arising out of all Identity Thefts to any one Identity Recovery Insured which are first discovered by the Identity Recovery Insured during the present annual policy period. If an Identity Theft is first discovered in one policy period and continues into other policy periods, all loss and expense arising from such Identity Theft will be subject to the Expense Reimbursement Coverage Limit applicable to the policy period when the Identity Theft was first discovered. Lost wages as provided under item e. and Supervision Expenses as provided under item f. of the definition of Identity Recovery Expenses are jointly subject to the Lost Wages and Supervision Expenses Limit shown in the Declarations. Miscellaneous unnamed costs as provided under item g. of the definition of Identity Recovery Expenses are subject to the Miscellaneous Unnamed Costs Limit shown in the Declarations.

All Identity Recovery Expenses are subject to the Expense Reimbursement Coverage Limit. Coverage for Identity Recovery Expenses is limited to costs and expenses incurred and wages lost within twelve (12) months after the first discovery of the Identity Theft by the Identity Recovery Insured.

- ii) **Deductible**  
Expense Reimbursement Coverage is subject to the Expense Reimbursement Coverage Deductible shown in the Declarations. Each Identity Recovery Insured will be responsible for only one Deductible under this Identity Recovery Coverage during any one policy period.

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## EXCLUSIONS

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The following additional exclusions apply to this Section.

We will not cover loss or expense arising from:

1. the theft of a professional or business identity:
2. any fraudulent, dishonest or criminal act by an Identity Recovery Insured or any person aiding or abetting an Identity Recovery Insured, or by any authorized representative of an Identity Recovery Insured, whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an Identity Recovery Insured who has no knowledge of or involvement in such fraud, dishonesty or criminal act; or
3. an Identity Theft that is not reported in writing to the police.

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## ADDITIONAL CONDITIONS

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The following additional conditions apply to this Section:

### 1. IDENTITY RECOVERY ASSISTANCE

For assistance, the Identity Recovery Insured should email the Identity Recovery Assistance email address shown in Section III of the Declarations.

Identity Recovery Assistance can provide the Identity Recovery Insured with:

- a. information and advice for how to respond to a possible Identity Theft; and
- b. instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management Services at our expense to an Identity Recovery Insured prior to a determination that a covered Identity Theft has occurred. Our provision of such services is not an admission of liability under this policy. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered Identity Theft has not occurred.

With respect to Expense Reimbursement Coverage, the Identity Recovery Insured must send to us receipts, bills or other records that support his or her claim for Identity Recovery Expenses within a reasonable period of time after our request.

### 2. SERVICES

The following conditions apply as respects any services provided by us or our designees to any Identity Recovery Insured under this Section:

- a. Our ability to provide helpful services in the event of an Identity Theft depends on the cooperation, permission and assistance of the Identity Recovery Insured;
- b. Service in the United States of America will be different from service in Canada in accordance with local conditions;
- c. We do not warrant that any service will:
  - i) End or eliminate all problems associated with an Identity Theft; or
  - ii) Prevent future Identity Theft; or
  - iii) Be available or applicable to all individuals. For example, Identity Recovery Insureds who are minors or foreign nationals may not have credit records that can be provided or monitored.

### 3. COVERAGE TERRITORY

The Identity Theft must occur within the following coverage territory:

- a. Canada; and
- b. The United States of America (including its territories and possessions).

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## DEFINITIONS

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The following Definitions apply to this Section:

### 1. IDENTITY RECOVERY CASE MANAGER

Identity Recovery Case Manager means one or more individuals assigned by us to assist an Identity Recovery Insured with communications we deem necessary for re-establishing the integrity of the personal identity of the Identity Recovery Insured. This includes, with the permission and cooperation of the Identity Recovery Insured, written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.

## 2. IDENTITY RECOVERY EXPENSES

Identity Recovery Expenses means the following when they are reasonable and necessary expenses that are incurred as a direct result of Identity Theft:

- a. costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an Identity Theft;
- b. costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of efforts to report an Identity Theft or amend or rectify records as to the Identity Recovery Insured's true name or identity as a result of an Identity Theft;
- c. costs for credit reports from established credit bureaus;
- d. fees and expenses for any attorney approved by us for the following:
  - i) the defence of any civil suit brought against an Identity Recovery Insured;
  - ii) the removal of any civil judgement wrongfully entered against an Identity Recovery Insured;
  - iii) legal assistance for an Identity Recovery Insured at an audit or hearing by a governmental agency;
  - iv) legal assistance in challenging the accuracy of the Identity Recovery Insured's consumer credit report;
  - v) the defence of any criminal charges brought against an Identity Recovery Insured arising from the actions of a third party using the personal identity of the Identity Recovery Insured;
- e. actual lost wages of the Identity Recovery Insured for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole days. Actual lost wages may include payment for vacations days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-work hours.
- f. actual costs for supervision of children or elderly or infirm relatives or dependants of the Identity Recovery Insured during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the Identity Recovery Insured; and
- g. any other reasonable costs necessarily incurred by an Identity Recovery Insured as a direct result of the Identity Theft.
  - i) Such costs include:
    - 1. Costs by the Identity Recovery Insured to recover control over his or her personal identity; and
    - 2. Deductibles or service fees from financial institutions
  - ii) Such costs do not include:
    - 1. Costs to avoid, prevent or detect Identity Theft or other loss;
    - 2. Money lost or stolen; and
    - 3. Costs that are restricted or excluded elsewhere in this Section.

## 3. IDENTITY RECOVERY INSURED

Identity Recovery Insured means the following:

- a. when the Named Insured under this policy is a sole proprietorship, the Identity Recovery Insured is an individual person who is the sole proprietor of the Named Insured at any time during the policy period;
- b. when the Named Insured under this policy is a partnership, the Identity Recovery Insureds are the current partners at any time during the policy period; and
- c. when the Named Insured under this policy is a corporation or other organization, the Identity Recovery Insureds are all individuals having an ownership position of 20% or more of the Named Insured at any time during the policy period. However, if and only if there is no one who has such an ownership position, then the Identity Recovery Insured will be:
  - i) the chief executive of the Named Insured at any time during the policy period; or
  - ii) as respects a religious institution, the senior ministerial employee at any time during the policy period.

An Identity Recovery Insured must always be an individual person. An entity insured under this policy is not an Identity Recovery Insured.

## 4. IDENTITY THEFT

Identity Theft means the fraudulent use of the Social Insurance Number or other method of identifying an Identity Recovery Insured. This includes fraudulently using the personal identity of an Identity Recovery Insured to establish credit accounts, secure loans, enter into contracts or commit crimes.

Identity Theft does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

## **GENERAL POLICY CONDITIONS** (Provinces other than Quebec)

### **INSURING AGREEMENTS**

The insurer, in consideration of the payment of the premium, in reliance upon the statements in the Declarations made a part of this Policy and subject to all the terms and conditions of this Policy and riders and endorsements attached, agrees with the Named Insured as follows:

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

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

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

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

**REMOVAL:** If any of the insured property is necessarily removed from the location(s) specified herein to prevent loss, destruction or damage or further loss, destruction or damage thereto, that part of the insurance under this Policy that exceeds the amount of the insurer's liability for any loss already incurred shall, for seven days only, or for the unexpired term of the Policy, if less than seven days, insure the property removed and any property remaining in the location(s) specified herein in the proportions which the value of the property in each of the respective locations bears to the value of the property in them all. **C: DEBRIS REMOVAL:**

- i) The Insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage insurance is afforded under this form.  
The amount payable under this exclusion shall not exceed 25% of the total amount payable for the direct physical loss to property insured plus the amount of the applicable deductible.
- ii) 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 a location specified on the "Declarations Page".

Extensions of coverage (i) and (ii) do not apply to costs or expenses:

- a) to "Clean up" "pollutants" from land or water; or
- b) 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 determination of actual cash value for the purpose of applying the Co-insurance Clause.

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

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

### **EXCLUSIONS**

This Policy does not insure against loss, destruction or damage caused directly or indirectly:

- a) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- b) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lighting or explosion of natural, coal or manufactured gas;
- c) by contamination by radioactive material;

- d) 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.
- e) **POLLUTION EXCLUDED**  
This form does not insure against:
  - a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" nor the cost or expense of any resulting "clean up". But this exclusion does not apply:
    - i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this form;
    - ii) to loss or damage caused directly by a peril not otherwise excluded under this form;
  - b) cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

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

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

This Policy is made and accepted subject to the provisions, stipulations and conditions printed herein which are hereby specially referred to and made a part of this Policy together with such other provisions, agreements or conditions as may be endorsed hereon or added hereto. No term or condition of a contract shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of a contract by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs or to the investigation or adjustment of any claim under the contract. By the acceptance of this Policy the Insured acknowledges the cancellation, from the effective date of this Policy, of any previous Policy, or the renewal thereof, which is stated as being replaced.

## **CONDITIONS**

The Statutory Conditions apply to the peril of fire and as modified or supplemented by riders or endorsements attached apply as Policy Conditions to all other perils insured by this Policy.

## **STATUTORY CONDITIONS**

### **MISREPRESENTATION**

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

### **PROPERTY OF OTHERS**

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

### **CHANGE OF INTEREST**

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

### **MATERIAL CHANGE**

4. Any change material to the risk and within the control and knowledge of the Insured 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 days of the receipt of the notice, pay to the Insurer an additional premium, and in default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

### **TERMINATION**

5. (1) This contract may be terminated:
  - (a) by the Insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written



- notice of termination personally delivered;
- (b) by the Insured at any time on request.
  - (2) Where this contract is terminated by the Insurer,
    - (a) the Insurer shall refund the excess of premium actually paid by the Insured over the pro rata premium for the expired time, but, in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
    - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
  - (3) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
  - (4) The refund may be made by money, postal or express company money order or cheque payable at par.
  - (5) The fifteen days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

#### **REQUIREMENTS AFTER LOSS**

- 6. (1) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
  - (a) forthwith give notice thereof in writing to the Insurer;
  - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
    - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
    - (iii) stating that the loss did not occur through any wilful act or neglect or procurement, means or connivance of the insured,
    - (iv) showing the amount of other insurances and the names of other Insurers,
    - (v) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
    - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
    - (vii) showing the place where the property insured was at the time of loss:
  - (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value; copy of the written portion of any other contract.
- (2) The evidence furnished under clauses (c) and (d) of sub-paragraph (1) of this condition shall not be considered proof of loss within the meaning of conditions 12 and 13.

#### **FRAUD**

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

#### **WHO MAY GIVE NOTICE AND PROOF**

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

#### **SALVAGE**

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

#### **ENTRY, CONTROL, ABANDONMENT**

- 10. 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 appraisalment 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.

#### **APPRAISAL**

11. In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract, whether the right to 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 therefore is made in writing and until after proof of loss has been delivered.

#### **WHEN LOSS PAYABLE**

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

#### **REPLACEMENT**

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

#### **ACTION**

14. Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year\* next after the loss or damage occurs.  
\*two years in Province of Manitoba and Yukon Territory.

#### **NOTICE**

15. Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the Province. Written notice may be given to the Insured named in 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.

#### **ADDITIONAL CONDITIONS**

##### **NOTICE TO AUTHORITIES**

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

##### **NO BENEFIT TO BAILEE**

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

##### **PAIR AND SET**

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

##### **PARTS**

- IV. 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.

##### **SUE AND LABOUR**

- V. 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.

##### **BASIS OF SETTLEMENT**

- VI. 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.

## **SUBROGATION**

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

## **OTHER INSURANCE**

VIII. Unless otherwise provided, if, at the time of loss covered by this Policy, there is any other insurance (other than against the peril of fire), which would attach if this insurance had not been effected, the Insurer under this Policy shall be liable only for the excess, if any, of loss over the applicable limit of the other policy covering such loss.

## **STANDARD MORTGAGE CLAUSE** (APPROVED BY THE INSURANCE BUREAU OF CANADA) ALL PROVINCES

It is hereby provided and agreed that:

### **BREACH OF CONDITIONS BY MORTGAGOR OWNER OR OCUPANT**

1. This insurance and every documented renewal therein - 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.

### **RIGHT OF SUBROGATION**

2. 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 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.

### **OTHER INSURANCE**

3. 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.

### **WHO MAY GIVE PROOF OF LOSS**

4. In the absence of the Insured or the inability 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.

### **TERMINATION**

5. The term of this mortgage clause coincides with the term of the policy

(a) PROVIDED ALWAYS that in all the Provinces, except Quebec, 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 notice stipulated in such statutory provision and

(b) PROVIDED ALWAYS that in the Province of Quebec, the Insurer reserves the right to cancel the policy as

provided by statutory condition Ili, as set forth in section 240 of the Insurance Act of Quebec, but agrees that the Insurer will neither terminate nor alter policy to the prejudice of the mortgagee without 15 days notice to the mortgagee by registered letter.

#### FORECLOSURE

6. 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 shall continue until expiry or cancellation for the benefit of the said mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THIS MORTGAGE CLAUSE (and those 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.

THE ABOVE NOTED STANDARD MORTGAGE CLAUSE APPLIES TO BUILDING COVERAGE ONLY.

## **REPLACEMENT COST ENDORSEMENT**

### **(Commercial Risks)**

Applicable only to Item(s) in this policy.

1. The Insurer agrees to amend the basis of settlement from actual cash value to replacement cost subject to the following provisions:
  - (a) Replacement shall be effected by the Insured with due diligence and dispatch;
  - (b) 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;
  - (c) Failing compliance by the Insured with any of the foregoing provisions, settlement shall be made as if this endorsement had not been in effect;
  - (d) Any other insurance effected by or on behalf of the Insured in respect of the perils insured against by this Policy on the property to which this endorsement is applicable shall be on the basis of replacement cost as defined herein;
  - (e) This endorsement applies separately to each item(s) listed above.
2. Any reference to actual cash value in a co-insurance clause in this Policy is deemed to be a reference to replacement cost of the property insured.
3. In this endorsement:
  - (a) "Replacement cost" means the cost of replacing, repairing, constructing or re-constructing (whichever is the least) the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation; and
  - (b) "Replacement" includes repair, construction or re-construction with new property of like kind and quality.
4. In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that damaged or destroyed and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purposes of this endorsement.
5. **EXCLUSIONS**

This endorsement does not apply to:

  - (a) Stock;
  - (b) Patterns, dies and moulds;
  - (c) 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;
  - (d) Manuscripts and records meaning books of account, drawings, card index systems and other records, media, data storage devices, and programme devices for electronic electro-mechanical data processing or for electronically controlled equipment;
  - (e) Any increase in the cost of replacement occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

All other terms and conditions of this Policy remain unchanged.

## CYBER ACT & DATA EXCLUSION

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

No claim can be made under this Property Policy which is directly or indirectly caused by or contributed to or resulting from a **Cyber Incident**, regardless of any other cause or event, including those by a third party, contributing concurrently or in any other sequence to the claim. For the purposes of this clause, the following definitions apply.

#### DEFINITIONS

1. **Cyber Incident** means any incident or series of incidents, regardless of time and place, or the threat or hoax thereof involving the use or operation of any **Computer System** or the access to, processing, transmission, storage or use of any **Data** (including any reduction in or loss of ability to perform these functions, or any error or omission or accident in respect of any **Computer System** or **Data**).
2. **Computer System** means any computer, hardware, software, application, process, code, programme, information technology and communications system or electronic device owned or operated by the Insured or any other party, including any similar system or any configuration or networking of the aforementioned. This includes any associated input, output or data storage device, networking equipment or back up facility.
3. **Data** means any information capable of being accessed, processed, transmitted or stored by a **Computer System**, including but not limited to text, figures, voice, images or any machine readable data, irrespective of the way it is used or rendered.

**Data** shall not be considered as property and shall not be covered under this Policy.

**THIS ENDORSEMENT CHANGES THE POLICY.  
PLEASE READ IT CAREFULLY.**

**TERRORISM EXCLUSION ENDORSEMENT**

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Property Multi-Peril heading.

1. This policy does not insure 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", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage
2. The Insurer shall not be liable for "Extra Expenses", loss of "Business Income", loss of "Rental Income", loss of "Gross Profit", loss of "Gross Earnings", loss of "Gross Rentals", loss of "Gross Rent and Rental Value" or any other loss attributable to the interruption of business, provided such coverage is currently included in the policy to which this endorsement is attached, resulting from 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", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.
3. The following definition is added

Wherever used in this endorsement, or wherever used in any other endorsement or in any policy to which this endorsement is applicable, "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.

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

All other terms and conditions remain unchanged

**THIS ENDORSEMENT CHANGES THE POLICY.  
PLEASE READ IT CAREFULLY.**

**FUNGI and FUNGAL DERIVATIVES EXCLUSION ENDORSEMENT**

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Property Multi-Peril heading.

1. This policy does not insure:
  - (a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any fungi or spores unless such fungi or spores are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy;
  - (b) the cost or expense for any testing, monitoring, evaluating or assessing of fungi, or spores.
2. The Insurer shall not be liable for "Extra Expense", loss of "Business Income", loss of "Rental Income", loss of "Gross Profit", loss of "Gross Earnings", loss of "Gross Rentals", loss of "Gross Rent and Rental Value" or any other loss attributable to any interruption of business, provided such coverage is currently included in the policy to which this endorsement is attached, resulting from 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.
3. The following definitions are added

Wherever used in this endorsement, or wherever used in any other endorsement or in any policy to which this endorsement is applicable, the following terms shall mean

- (a) "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.
- (b) "Spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".

All other terms and conditions remain unchanged.





## **IN THE EVENT OF A CLAIM**

**\*\*\*PLEASE NOTE THE FOLLOWING NEW CLAIMS REPORTING INSTRUCTIONS\*\*\***

PLEASE REPORT ANY OCCURRENCES, CLAIMS, ACTIONS OR SUITS AS SOON AS POSSIBLE, TO THE FOLLOWING:

**Email:** [canadaclaims@markel.com](mailto:canadaclaims@markel.com)

**Markel  
200 Wellington Street West  
Suite 400  
Toronto, ON M5V 3C7  
Attn: Claims Department**

**Tel: (416) 601-1133  
Toll-free: (800) 223-8858**

**For claims after hours emergency hotline: 1 (877) 243-2875**

*The reporting condition of the policy requires that you report any incidents which might give rise to a claim, even if no such claim has yet been received. Failure to promptly report an incident may jeopardize the investigation and defence of a subsequent legal action. To avoid the risk that individual losses may be denied as a result of late reporting, please report all incidents promptly.*

# Code of Consumer Rights and Responsibilities

Insurers (including Lloyd's Underwriters), along with the brokers and agents who sell home, auto and business insurance are committed to safeguarding your rights both when you shop for insurance and when you submit a claim following a loss. Your rights include the right to be informed fully, to be treated fairly, to timely complaint resolution, and to privacy. These rights are grounded in the contract between you and your insurer and the insurance laws of your province. With rights, however, come responsibilities including, for example, the expectation that you will provide complete and accurate information to your insurer. Your policy outlines other important responsibilities. Insurers and their distribution networks, and governments also have important roles to play in ensuring that your rights are protected.

## **Right to Be Informed**

You can expect to access clear information about your policy, your coverage, and the claims settlement process. You have the right to an easy-to-understand explanation of how insurance works and how it will meet your needs. You also have a right to know how insurers calculate price based on relevant facts. Under normal circumstances, insurers will advise an insurance customer or the customer's intermediary of changes to, or the cancellation of a policy within a reasonable prescribed period prior to the expiration of the policy, if the customer provides information required for determining renewal terms of the policy within the time prescribed, which could vary by province, but is usually 45 days prior to expiry of the policy.

You have the right to ask who is providing compensation to your broker or agent for the sale of your insurance. Your broker or agent will provide information detailing for you how he or she is paid, by whom, and in what ways.

You have a right to be told about insurers' compensation arrangements with their distribution networks. You have a right to ask the broker or agent with whom you deal for details of how and by whom it is being paid. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

## **Responsibility to Ask Questions and Share Information**

To safeguard your right to purchase appropriate coverage at a competitive price, you should ask questions about your policy so that you understand what it covers and what your obligations are under it. You can access information through one-on-one meetings with your broker or agent. You have the option to shop the marketplace for the combination of coverages and service levels that best suits your insurance needs. To maintain your protection against loss, you must promptly inform your broker or agent of any change in your circumstances.

## **Right to Complaint Resolution**

Insurers, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access Lloyd's Underwriters' complaint resolution process for Canada. Your agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Consumers may also contact their respective provincial insurance regulator for information. Lloyd's is a member of an independent complaint resolution office, the General Insurance OmbudService.

## **Responsibility to Resolve Disputes**

You should always enter into the dispute resolution process in good faith, provide required information in a timely manner, and remain open to recommendations made by independent observers as part of that process.

**Right to Professional Service**

You have the right to deal with insurance professionals who exhibit a high ethical standard, which includes acting with honesty, integrity, fairness and skill. Brokers and agents must exhibit extensive knowledge of the product, its coverages and its limitations in order to best serve you.

**Right to Privacy**

Because it is important for you to disclose any and all information required by an insurer to provide the insurance coverage that best suits you, you have the right to know that your information will be used for the purpose set out in the privacy statement made available to you by your broker, agent or insurance representative. This information will not be disclosed to anyone except as permitted by law. You should know that Lloyd's Underwriters are subject to Canada's privacy laws - with respect to their business in Canada.

# Privacy: Notice Concerning Personal Information

## Who we are

We are the Lloyd's underwriter(s) identified in the insurance contract and/or the certificate of insurance. Your privacy is important to us. This Privacy notice explains what personal information we collect, use and disclose about policyholders, beneficiaries, claimants and witnesses and for what purposes, in compliance with applicable Canadian privacy laws.

## What personal information we collect

Personal information is any information about an identified and or identifiable individual. The personal information that is collected for a clear and legitimate use and disclosure generally includes the following:

- Identification and contact information (name, address including postal code, country, telephone number, email address, month and date of birth, drivers licence, employer, job title, employment history, family details)
- Policy information (policy number, policy amounts, policy terms)
- Claim information (claim number, information relating to a potential or existing claim)
- Payment information (credit card details, bank account details, credit score)
- Other information related to your insurance cover or a claim only for legitimate business purposes

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

We will not use your personal information for marketing purposes and we will not sell your personal information to other parties.

## How we use your information

By purchasing insurance from certain Lloyd's Underwriters ("Lloyd's"), a customer provides Lloyd's with his or her explicit consent to the collection, use and disclosure of personal information. Meaningful consent is subject to the customer's understanding of the nature, purpose and consequences of the collection, use or disclosure of their personal information.

Information is generally collected, used, disclosed and stored in order to provide you with the insurance products that you have requested, including to:

- Identify you and provide you with insurance cover
  - Communicate with Lloyd's policyholders
  - Calculate, collect or refund premiums
  - Underwrite policies and facilitate policy administration
  - Evaluate and process claims
  - Detect and prevent fraud, carry out anti-money laundering and sanctions checks
  - Investigate and prosecute fraud
  - Meet our regulatory and other legal obligations
  - Enforce terms or exercise rights under the insurance contract
  - Analyze insurance risk and business results
  - Improve our services and offerings
  - Provide general client care
  - Defend or prosecute legal claims
  - Renew your insurance policy
  - Transfer of books of business, company sales and reorganisations
- Or as may be otherwise required or authorized by law.

**Your information may be shared and disclosed;**

In order to fulfil the purposes described in this Privacy notice, we may share your personal information with other third parties that we have engaged to provide services on our behalf, or who otherwise assist us in providing you with services, such as affiliated organizations, sub-contractors, agents/coverholders, legal counsel, insurers, brokers, reinsurers, loss adjusters and other service providers.

We will limit this disclosure to only the Personal Information that is reasonably necessary for the purpose or service for which the third party or affiliate will provide. We will use contractual and other means to provide a comparable level of protection while the information is being processed by these service providers, including limiting such providers to using your Personal Information solely to provide Lloyd's with the specific service for which they were engaged, and for no other purpose. You can obtain more information about our policies and practices with respect to the use of Personal Information by Third Party Service Providers by contacting us as described below, under the section "How to Contact Us" at the end of this document.

Some of these entities may be located outside Canada, therefore your information may be processed in a foreign jurisdiction, where it will be subject to the laws of that jurisdiction, which may be different than the laws in your province. Personal information that is stored or processed outside Canada may also be accessible to the law enforcement and national security authorities of that jurisdiction.

We may also share or transfer your Personal Information where reasonably required in the context of a sale, merger or amalgamation of all or part of our business or the insurance or securitization of our assets. In any such case, the recipient parties will be contractually required to keep the information confidential and use it only for the purposes of the transaction, or proposed transaction, in question. In the event a business transaction is affected, assignees or successors of Lloyd's or our business or assets, or those of our affiliated entities, may use and disclose Personal Information only for the purposes as set out in this Privacy notice, unless further consent is obtained.

We may also share your Personal Information with law enforcement, national security agencies or other governmental officials, as required or permitted by law, such as in response to a court order or a verified request relating to a criminal investigation or alleged illegal activity, where we are legally obligated to contribute information to compulsory insurance databases, or where required to detect, prevent or prosecute fraud.

**Authority to collect, use and disclose personal information**

When you share information with us for particular purposes, such as providing you with insurance, you give us explicit consent to collect, use and disclose your information for those purposes. Canadian law also authorizes us to collect, use and disclose personal information without consent in certain circumstances prescribed by law, which may include the following:

- Detecting or suppressing fraud
- Investigating or preventing financial abuse
- For communication with the next of kin or authorized representative of an injured, ill or deceased individual
- Investigating a breach of an agreement or a contravention of the laws of Canada or a foreign jurisdiction where obtaining consent would compromise the availability or accuracy of the information
- Witness statement necessary to assess, process or settle insurance claims
- Information that is produced in the course of an individual's employment, business or profession

There may be situations where we need your additional consent to collect, use, and disclose information about you. In those situations, we will ask you for consent separately. You do not have to give your consent and, subject to legal and contractual restrictions, you can withdraw your consent to us collecting, using and disclosing your information at any time. However, withdrawing your consent may affect our ability to provide you with insurance cover or other services.

## **Retention and security**

We retain personal information for as long as necessary to provide you with insurance cover and meet the other purposes for collection, use and disclosure described in this Privacy notice, or as otherwise required or permitted by law. When your Personal Information is no longer required, we will make all reasonable efforts to ensure all electronic and hard copies of such information are securely destroyed and irreversibly deleted from our systems.

We use various physical, technical and administrative security measures, appropriate to the sensitivity of the personal information, that are designed to protect against loss, theft, unauthorized access, disclosure, copying, use or modification by. Although we will take reasonable measures to protect personal information, the transmission of information through the internet or other electronic means is not guaranteed to be secure and may create risks for the privacy and security of your information.

## **How to access your personal information**

Subject to certain exceptions provided by applicable law, you have the right to access your personal information, request corrections about your personal information if you identify any inaccuracies, and request that we delete your information. If you would like to exercise any of these rights, please contact the Ombudsperson at [info@lloyds.ca](mailto:info@lloyds.ca).

The Ombudsperson can also provide additional information about Lloyd's policies and practices, answer questions about the collection, use, disclosure or storage of personal information by Lloyd's and its service providers located outside Canada, as well as discuss any complaints you may have regarding the collection, use and disclosure of your personal information.

## **Changes**

We may amend this Privacy notice from time to time as our business evolves, in response to legal developments, as new technologies become available, or as we introduce new features, products or services.

When we make changes to wording of this Privacy notice we will revise the "last updated" date at the bottom of this Privacy notice. You should check back here periodically to find out if any changes have been made to this Privacy notice. If we make substantial changes we will, as appropriate prominently post these changes to our Site or notify registered Users directly.

## **How to contact us**

Further information about Lloyd's personal information protection policy may be obtained by visiting, <https://www.lloyds.com/lloyds-around-the-world/americas/canada/market-conduct> from your broker, or by contacting Lloyd's by phone: 514 861 8361, 1 877 455 6937 or email: [info@lloyds.ca](mailto:info@lloyds.ca).

# Lloyd's Underwriters' Policyholders' Complaint Protocol

Lloyd's strives to enhance your customer experience with us through superior service and innovative insurance products.

We have developed a formal complaint handling protocol in accordance with the Insurance Companies Act of Canada to ensure your concerns as our valued customer are addressed expeditiously by our representatives. This protocol will assist you in understanding the steps we will undertake to help resolve any dispute which may arise with our product or service. All complaints will be handled in a professional manner. All complaints will be investigated, acted upon, and responded to in writing or by telephone by a Lloyd's representative promptly after the receipt of the complaint. If you are not satisfied with our products or services, you can take the following steps to address the issue:

- Firstly, please contact the broker who arranged the insurance on your behalf about your concerns so that he or she may have the opportunity to help resolve the situation.
- If your broker is unable to help resolve your concerns, we ask that you provide us in writing an outline of your complaint along with the name of your broker and your policy number.

Please forward your complaint to:

## **Lloyd's Underwriters**

Attention: Complaints Officer:

1155 rue Metcalfe, Suite 2220, Montréal (Québec) H3B 2V6

Tel: 1-877-455-6937

E-mail: [info@lloyds.ca](mailto:info@lloyds.ca)

Your complaint will be directed to the appropriate business contact for handling. They will write to you within two business days to acknowledge receipt of your complaint and to let you know when you can expect a full response. If need be, we will also engage internal staff in Lloyd's Policyholder and Market Assistance Department in London, England, who will respond directly to you, and in the last stages, they will issue a final letter of position on your complaint.

In the event that your concerns are still not addressed to your satisfaction, you have the right to continue your pursuit to have your complaint reviewed by the following organizations:

**General Insurance OmbudService (GIO):** assists in the resolution of conflicts between insurance customers and their insurance companies. The GIO can be reached at:

Toll free number: 1-877-225-0446

[www.giocanada.org](http://www.giocanada.org)

**For Quebec clients:**

**Autorité des marchés financiers (AMF):** The regulation of insurance companies in Quebec is administered by the AMF. If you remain dissatisfied with the manner in which your complaint has been handled, or with the results of the complaint protocol, you may send your complaint to the AMF who will study your file and who may recommend mediation, if it deems this action appropriate and if both parties agree to it. The AMF can be reached at

Toll Free: 1-877-525-0337

Québec: (418) 525-0337

Montréal: (514) 395-0311

[www.lautorite.qc.ca](http://www.lautorite.qc.ca)

If you have a complaint specifically about Lloyd's Underwriters' complaints handling procedures you may contact the FCAC.

**Financial Consumer Agency of Canada (FCAC)** provides consumers with accurate and objective information about financial products and services, and informs Canadians of their rights and responsibilities when dealing with financial institutions. FCAC also ensures compliance with the federal consumer protection laws that apply to banks and federally incorporated trust, loan and insurance companies. The FCAC does not get involved in individual disputes. The FCAC can be reached at:

427 Laurier Avenue West, 6th Floor, Ottawa ON K1R 1B9

Services in English: 1-866-461-FCAC (3222)

Services in French: 1-866-461-ACFC (2232)

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