

REPORT A CLAIM

Please contact our claims team as soon as possible.

Trisura Guarantee Insurance Company
333 Bay Street, Suite 1600
Toronto, ON M5H 2R2

Toll-free: **1-866-856-9203**

Email: claims@trisura.com

ABOUT TRISURA

Trisura is a North American specialty insurance and surety provider. We create custom insurance solutions for a niche industry of corporate clients, through a select broker network. Founded in 2006 on the premise that the insurance business can be done better, Trisura focusses on exceptional service for all our partners.

Trisura is a subsidiary of Trisura Group Ltd., a leading international specialty insurance provider. The group's operating subsidiaries include a Canadian specialty insurance company and a US specialty insurance company. Trisura Group Ltd. is listed on the Toronto Stock Exchange under the symbol "TSU."

Refer to your policy for complete details. In case of inconsistency between this document and your policy, the policy terms, conditions and limitations will apply.

(04/2023)

trisura.com

TRISURA GUARANTEE INSURANCE COMPANY

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LEGAL HELPLINE WITH HR ASSIST

Your Trisura Guarantee Insurance Company policy includes unlimited access to complimentary legal information and to a unique feature called HR Assist.

HR Assist, available in English and French, provides our specialty insurance policyholders with access to certified human resources (HR) specialists who help with effectively managing any HR issues.

If you have any legal or HR questions that require the assistance of a lawyer, here's how the Trisura Legal Helpline can help you:

- Call the helpline at **1-866-945-5207**.
- Have your policy number ready to confirm that you are a Trisura policyholder.
- They are available 8 a.m. to midnight (local time), seven days per week.
- In emergency situations, a lawyer will be made available regardless of the time of day.
- You can speak directly to a legal representative or schedule the most convenient time for a lawyer to call you back.

Our lawyers are knowledgeable, professional and courteous. We encourage you to call whenever you have a legal concern to help minimize the risk of more complicated future problems.

Here are some examples to better illustrate the importance of obtaining legal and HR assistance in your time of need.

AN ACCIDENTAL INJURY AT THE WORKPLACE

A non-profit charity that helps build and repair residential homes for low-income families had an unfortunate incident. The homeowner accidentally struck the volunteer's ladder with their car, and the volunteer is now severely injured. The charity wants to know if they face potential liability issues and if they can take any legal action against the homeowner, on behalf of the volunteer.

A VOLUNTEER'S PURPORTED TORMENT

A non-profit humanitarian organization for youth poverty uses volunteers to supplement their regular employee workforce. Staff members have alleged a particular volunteer keeps harassing the children and teens who visit the organization's communal space. The operations manager does not know what steps can be taken to dismiss the volunteer without exposing the organization to possible charges of slander.

CATERING BUSINESS MISHAP

A local hotel contracts catering for a business conference to a new firm. On the day of the conference, the caterer does not show, and there is no breakfast nor lunch for the conference. The hotel owner has to step in and order food from an expensive restaurant. The caterer refuses to accept responsibility. The hotel owner wants to know what course of action they can take to not only recoup costs, but also repair the hotel's reputation.

A BARTENDER'S DEMAND

The owner of a bar and lounge was sent a demand letter by the legal counsel of one of her bartenders. The employee claimed constructive dismissal, alleging that the owner refused to schedule shifts for her and did not give appropriate notice of shift changes. The lounge owner had records of assigning shifts accordingly and giving advance notice, but he does not know how to respond to the demand letter.

CUSTOMER NOTICE REGARDING ECONOMIC AND TRADE SANCTION LAWS

As part of Trisura's commitment to comply with all laws and regulations applicable to our business, this notice is intended to inform you of the existing legal requirements with respect to trade sanctions. We feel it is important that you be aware of the potential impact on the coverage provided by your insurance policy, and on the servicing of claims in jurisdictions with high political risk or instability.

Trade sanctions and economic embargoes are legal measures imposed by certain countries to restrict or prohibit trade, travel and economic activity with targeted countries, entities or individuals. Several factors may contribute in determining whether economic sanctions laws apply to an insurance policy or a claim. They include, but are not limited to, the domicile or place of incorporation of the policy holder, insured, parent company, subsidiary, claimant, insurer, and the country where the claim arises.

The consequences of complying with applicable domestic and international sanction laws can vary greatly depending on the circumstances. They may include:

- difficulties with the claim settlement process;
- denial of claims;
- "freezing" of policies, preventing any transaction involving these policies
- voiding or cancellation of policies, with or without refund of premium.



**COMMERCIAL PACKAGE PROGRAM POLICY
DECLARATIONS**

Master Policy No.: NPC1001880

Named Insured: Members of the Ontario College of Reflexology, as specified on each individual certificate

Mailing Address: As per individual certificate

Policy Period: From As per individual certificate to As per individual certificate
12:01 a.m. standard time at the mailing address shown above

Broker: PROLINK Insurance Inc.

Broker Address: 150 King Street W, Suite 2401
Toronto, ON Canada M5H 1J9

Description of Operations: Reflexologist

Premium: per individual certificate

Minimum Retained Premium: 100% of the Annual Premium

Transaction Description:

Renewal Policy Issued

Effective Date:

December 29, 2024

These Declarations and the Policy together with Policy Conditions, forms, riders and endorsements, if any, shall constitute the entire contract between the Insured and Trisura Guarantee Insurance Company.

In witness whereof, the Insurer has caused this Policy to be signed by its authorized officer.

TRISURA GUARANTEE INSURANCE COMPANY


Chris Sekine
President & CEO

This policy contains a clause that may limit the amount payable

COVERAGES

Master Policy No.: NPC1001880

Insurance provided subject to the Declarations, Terms, and Conditions of the Policy and its forms only for the coverages for which specific forms are attached and for which specific Limit of Insurance is shown hereunder.

See Schedule of Forms, TCPPE.000-Schedule for a list of the forms that together shall constitute the entire contract between the Insured and Trisura Guarantee Insurance Company.

COMMERCIAL PROPERTY COVERAGE

Coverage	Deductible	Limits of Insurance	Co-Insurance/ Valuation*
INSURED LOCATION(S):			
Per individual certificate			
Contents	per individual certificate	per individual certificate	90% / RCV
Extension Package – Including \$25,000.00 Basket Limit			
TPROPE.006 – Earthquake Extension	\$25,000.00	INCL	
TPROPE.009 – Flood Extension	\$10,000.00	INCL	
TPROPE.017 – Sewer Back-Up Deductible Endorsement	\$2,500.00	INCL	
TPROPE.027 – Communicable Disease Exclusion			
TPROPE.028 – Cyber Loss and Data Exclusion			

* Under Valuation, RCV means Replacement Cost Valuation and ACV means Actual Cash Valuation

COVERAGES

Master Policy No.: NPC1001880

<u>COMMERCIAL GENERAL LIABILITY</u>			
Form Number	Form Name	Deductible	Limits of Insurance
TGLE.001 (05/17)	Commercial General Liability		
	Each Occurrence Limit		per individual certificate
	Personal and Advertising Injury Limit		per individual certificate
	Medical Payments Limit: any one person		per individual certificate
	General Aggregate Limit		per individual certificate
	Tenants' Legal Liability Limit: any one premises		per individual certificate
	Products Completed Operations Aggregate Limit		per individual certificate
	Coverage A Per Occurrence Deductible	per individual certificate	Property Damage
		per individual certificate	Bodily Injury
TGLE.017	Non-Accumulation Clause		
TGLE.030	Blanket Additional Insured Endorsement		
TGLE.036	Communicable Disease Exclusion		
TGLE.037	Compliance with Applicable Sanction Laws Endorsement		
TGLE.038	Cyber and Electronic Data Exclusion		
TSPFE.006	Standard Non-owned Automobile Policy – S.P.F. No. 6		
TOEFE.098B	Reduction of Coverage For Lessees or Drivers of Leased Vehicles Endorsement – O.E.F. No. 98B		
TSEFE.094	Legal Liability for Damage to Hired Automobiles Endorsement – S.E.F. No. 94	\$500.00	\$25,000.00
TSEFE.096	Contractual Liability Endorsement – S.E.F. No. 96		
TSEFE.099	Excluding Long Term Leased Vehicles Endorsement – S.E.F. No. 99		
Man.115-P	Designated Operations Exclusion		
Total Premium:			per individual certificate

SCHEDULE OF FORMS

Master Policy No.: NPC1001880

The following is a schedule of forms that together shall constitute the entire contract between the Insured and Trisura Guarantee Insurance Company:

Form Name	Form No.
Commercial Package Program Policy Declarations	TGLE.000-P (02/24)
Schedule of Forms	TCPPE.000 (02/24)
TCPPE.000-Extension Basket	TCPPE.000-Extension-A (10/17)
Comprehensive Commercial Property Insurance Policy	TPROPE.001 (10/17)
Commercial General Liability Policy	TGLE.001 (05/17)
Earthquake Extension	TPROPE.006 (10/17)
Flood Extension	TPROPE.009 (10/17)
Sewer Back-Up Deductible Endorsement	TPROPE.017 (10/17)
Communicable Disease Exclusion	TPROPE.027 (06/20)
Cyber Loss and Data Exclusion	TPROPE.028 (04/22)
Non-Accumulation Clause	TGLE.017 (05/17)
Blanket Additional Insured Endorsement	TGLE.030 (10/17)
Communicable Disease Exclusion	TGLE.036 (05/20)
Compliance with Applicable Sanction Laws Endorsement	TGLE.037 (12/20)
Cyber and Electronic Data Exclusion	TGLE.038 (04/22)
Standard Non-owned Automobile Policy – S.P.F. No. 6	TSPFE.006 (08/24)
Reduction of Coverage For Lessees or Drivers of Leased Vehicles Endorsement – O.E.F. No. 98B	TOEFE.098B (05/17)
Legal Liability for Damage to Hired Automobiles Endorsement – S.E.F. No. 94	TSEFE.094 (05/17)
Contractual Liability Endorsement – S.E.F. No. 96	TSEFE.096 (08/24)
Excluding Long Term Leased Vehicles Endorsement – S.E.F. No. 99	TSEFE.099 (08/24)
Designated Operations Exclusion	Man.115-P (09.19)



SUPPLEMENTARY DECLARATIONS
EXTENSIONS OF COVERAGE

Policy No.: NPC1001880

The following Commercial Property Extensions of Coverage are included:

COVERAGE	DEDUCTIBLE	LIMIT OF INSURANCE
BASKET COVERAGE - APPLIES TO:	\$1,000	\$25,000
Accounts Receivable		
Debris Removal and Windstorm Debris Removal		
Fine Arts		
Fire Department Service Charges		
Glass		
Improvements and Betterments – Undamaged		
Interruption of Service		
Lease Bonus Payments		
Leasehold Interest		
Outdoor Growing Plants, Trees, Shrubs or Flowers		
Property of Employees		
Rents		
Rents Prepaid by Insured		
Valuable Papers and Records		

The \$25,000 BASKET COVERAGE Limit Of Insurance applies only to the above listed Extensions of Coverage. Unless otherwise stated, this Basket Coverage Limit of Insurance applies separately at each Insured Location shown in the **Declarations**.

At time of loss, the first Named Insured may elect to apportion this BASKET COVERAGE Limit Of Insurance to one or any combination of the Extensions of Coverage shown, but under no circumstance will the aggregate apportionment exceed the BASKET COVERAGE Limit of Insurance.

Separate specific Limit Of Insurance may be purchased for each of these Extensions of Coverage. If purchased, these Limits Of Insurance will be shown in the Declarations below the applicable Insured Location. When a specific Limit Of Insurance is purchased for any of these coverages, such specific Limit Of Insurance will apply in addition to whatever amount the first Named Insured apportions to that Extension of Coverage at time of loss.

COVERAGE	DEDUCTIBLE	LIMIT OF INSURANCE
AUTOMATIC EXTENSIONS OF COVERAGE:		
Arson or Theft Award	Nil	25% of loss up to \$1,000
Building By-Laws	Nil	Included in Coverage A
Building Damage by Theft	Nil	Included in Coverage A
Deferred Payments	\$1,000	\$2,500
Employee Dishonesty	\$1,000	\$2,500
Expediting Expenses	Nil	Included in Coverage A
Exterior Signs	\$1,000	\$2,500
Extra Expense	Nil	\$5,000
Fire Protective Equipment Recharge	Nil	Included in Coverage A

COVERAGE	DEDUCTIBLE	LIMIT OF INSURANCE
Installation	\$1,000	\$2,500
Land and Water Pollution Clean-up	Nil	\$2,500
Master Key	Nil	\$2,500
Mobile Communication Equipment	\$1,000	\$1,000
Money and Securities	\$1,000	\$2,500
Newly Acquired Location or Newly Constructed Property	\$1,000	\$10,000
Preservation of Property	Nil	Included in Coverage A
Professional Fees, Inventory or Appraisals	Nil	\$5,000
Property in Transit	\$1,000	\$1,000
Temporary Locations	\$1,000	\$2,500

The Insured may purchase increased Limits of Insurance for any of the AUTOMATIC EXTENSIONS OF COVERAGE above listed. If the Insured purchases increased Limits of Insurance for any of these AUTOMATIC EXTENSIONS OF COVERAGE, the increased Limit of Insurance will be shown in the Commercial Property Policy Declarations and the Insurer will not pay more than such Limit of Insurance.



COMPREHENSIVE COMMERCIAL PROPERTY INSURANCE POLICY

Throughout this Policy the word Insured refers to the Named Insured shown in the **Declarations**. The word Insurer refers to Trisura Guarantee Insurance Company. Other words and phrases that appear in **bold type** have special meaning. Refer to SECTION V - DEFINITIONS. Although it does not appear in **bold type**, wherever the word "Policy" appears it means this Comprehensive Commercial Property Insurance Policy.

The titles and headings to the various parts, sections, subsections and endorsements of this Policy are included solely for ease of reference and do not in any way limit, expand or otherwise affect the provisions of such parts, sections, subsections or endorsements.

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

I COVERAGES

COVERAGE A: COMMERCIAL PROPERTY INSURANCE

1. Insuring Agreement

The Insurer agrees to indemnify the Insured against the direct physical loss or damage occurring during the **Policy Period** to the Insured's covered property caused by or resulting from a peril not otherwise excluded up to an amount not exceeding whichever is the least of:

- a. the Limit or Limits of Insurance specified in the **Declarations** in respect of the property lost or damaged;
- b. the interest of the Insured in the property.

Where the insurance applies to covered property of more than one person or interest, the Insurer will indemnify all such persons and interests against the direct loss up to the specified Limits of Insurance.

Unless otherwise specifically indicated in the Policy and the endorsements attached, the Insurer will pay for such direct physical loss or damage on the basis of **Replacement Cost** of the property at the time of such direct physical loss or damage, only if:

- a. the replacement has been effected by the Insured with due diligence and dispatch; and
- b. the settlement on a **Replacement Cost** basis has been effected by the Insured and in no event shall it exceed the amount actually and necessarily expended for such replacement.

Failure by the Insured to comply with any of the foregoing provisions shall result in the settlement based on **Actual Cash Value**.

2. Insured Property

This Policy insures the following property but only those items for which an amount of insurance is specified:

- a. **Building(s);**
- b. **Equipment, Stock and/or Contents;**
- c. **Property of Every Description.**

For SECTION I, COVERAGE A, covered property includes only property while at the **Premises** described as Insured Location(s) in the **Declarations**.

3. Insured Perils

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

4. Commercial Property Exclusions

a. Excluded Property

Property insured under this Policy does not include:

- (1) Animals, Fish or Birds
Animals, fish or birds, but this exclusion does not apply to loss or damage caused directly by **Named Perils** or by theft or attempted theft.
- (2) Automobiles, Watercraft and Aircraft
Automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property, 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.
- (3) Boiler And Machinery
Boiler and machinery including:
- (a) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
 - (b) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use);
- caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use
- This exclusion does not apply to:
- (i) manually portable gas cylinders;
 - (ii) explosion of natural, coal or manufactured gas; or
 - (iii) explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.
- (4) Bulkheads, Piers, Wharves, Bridges, Docks, or Tunnels
Bulkheads, piers, wharves, bridges, docks, or tunnels but this exclusion does not apply to loss or damage is caused directly by **Named Perils**, theft, or attempted theft.
- (5) Electrical Devices
Electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in SECTION V - DEFINITIONS, Clause 23. **Named Perils** ensues and then only for such ensuing loss or damage.
- (6) Fine Arts
Fine Arts except as provided for under SECTION I, COVERAGE B, Clause 2.k. Fine Arts.
- (7) Furs, Jewelleries
Furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, precious and semi-precious stones, but this exclusion does not apply to loss or damage caused directly by **Named Perils**.
- (8) Money and Securities
Money, Securities, accounts, bills, currency, deeds, evidences of debt and title, notes, platinum or other precious metals except as provided for under SECTION I, COVERAGE B, Clause 2.g. Employee Dishonesty and Clause 2.w. Money and Securities.
- (9) Outdoor Growing Trees, Shrubs, Flowers, or Plants
Outdoor growing trees, shrubs, flowers or plants, except as provided for under SECTION I, COVERAGE B, Clause 2.y. Outdoor Growing Plants, Trees, Shrubs or Flowers.
- (10) Property Illegally Acquired
Property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority.
- (11) Property Covered Under Marine Insurance
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.

(12) Property Not Constituting Part of Building

Property not constituting part of the **Building** including:

- (a) Fences, pavements, roadways, walkways, and other paved surfaces;
- (b) Swimming pools and related equipment; and
- (c) Retaining walls.

This Exclusion does not apply to the first \$10,000 of any loss otherwise insured.

(13) Property on Loan or Rental or under Conditional Sale, Trust Agreement, Instalment Payment or Deferred Payment Plan

Property on loan or on rental or leased to others; or sold by the Insured under conditional sale, trust agreement, instalment payment or other deferred payment plan, except as provided for under SECTION I, COVERAGE B, Clause 2.f. Deferred Payments.

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.

(14) Property Insured Under Another Coverage

Property insured under another coverage form of this or any other policy except for the excess of the amount due (whether the Insured can collect or not) from any other insurance.

(15) Sewers, Drains, Watermains, Outside Communication Towers, Antennae

- (a) Sewers, drains, watermains;
- (b) Outside communication towers, antennae (including satellite receivers) and **Equipment** attached thereto, street clocks, exterior signs located beyond the legal property line of the **Premises** described as an Insured Location(s) in the **Declarations**, except as provided for under SECTION I, COVERAGE B, Clause 2.i. Exterior Signs;
- (c) Exterior glass and/or vitrolite including lettering or ornamentation or burglary tape thereon, except as provided for under SECTION I, COVERAGE B, Clause 2.n. Glass.

(16) Vacant Property

Property at locations which, to the knowledge of the Insured, are vacant, unoccupied or shut down for more than 30 consecutive days.

(17) Valuable Papers and Records

Valuable Papers and Records, including those which exist on electronic media and records, except as provided for under SECTION I, COVERAGE B, Clause 2.gg. Valuable Papers and Records.

b. Excluded Perils

This Policy does not insure against loss or damage caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

(1) Asbestos

Loss or damage, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity.

(2) Centrifugal Force, Mechanical or Electrical Breakdown

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.

(3) Change In or Extremes in Temperature, Other Changes in Composition

- a. Dampness or dryness of atmosphere;
- b. changes in or extremes of temperature, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light;
- c. contamination, pollution, decay, 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 otherwise excluded under this Policy, theft or attempted theft or accident

to transporting conveyance. Damage to pipes caused by freezing is insured provided such pipes are not excluded in item SECTION I, COVERAGE A, 4.b. Excluded Perils, Clause (29) Wear and Tear, Sudden or Latent Defect below.

(4) Data

- a. **Data**, except for Accounts Receivable if otherwise insured and not otherwise excluded.
- b. **Data Problem**, regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage, and any business interruption or extra expense loss resulting from such loss or damage, except as follows:

- (1) If loss or damage caused by **Data Problem** results in the occurrence of further loss of or damage to covered property that is directly caused by:

- (a) **Named Perils** as defined in this Policy; or
- (b) the following perils only if otherwise insured and not otherwise excluded:

- (i) escape of water from any tank, apparatus or pipe;
- (ii) flood;
- (iii) freeze;
- (iv) **Sewer Back-up**,

at the **Premises** of the Insured.

- (2) If **Data Problem** is the direct result of:

- (a) **Named Perils** as defined in this Policy; or
- (b) the following perils only if otherwise insured and not otherwise excluded:

- (i) escape of water from any tank, apparatus or pipe;
- (ii) flood;
- (iii) freeze;
- (iv) **Sewer Back-up**,

at the **Premises** of the Insured.

(5) Delay or Loss of Market

Delay, loss of use, loss of market, or loss of occupancy.

(6) Dishonest or Criminal Acts

Dishonest or criminal acts on the part of the Insured or any other party of interest, any of the Insured's partners, directors, trustees, agents or authorized representatives of the Insured, **Dishonest or Fraudulent Acts** committed by an **Employee** or dishonest or criminal acts on the part of any person to whom the Insured entrusts the property for any purpose (bailees for hire excepted),

- a. acting alone or in collusion with others; or
- b. whether or not occurring during the hours of employment.

This exclusion does not apply to intentional acts of destruction by the Insured's **Employees** other than theft and, with respect to theft by **Employees**, except as provided for under SECTION I, COVERAGE B, Clause 2.g. Employee Dishonesty.

(7) Earthquake

Earthquake, in whole or in part. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke or leakage from **Fire Protective Equipment**. This exclusion does not apply to SECTION I, COVERAGE B, Clause 2.bb. Property In Transit.

(8) Explosion, Collapse or Rupture

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 gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
 - d. moving or rotating machinery or parts thereof;
 - e. any vessels and apparatus and pipes connected therewith while undergoing pressure test but this exclusion does not apply to other property covered hereunder that has been damaged by such explosion;
 - f. gas turbines.
- (9) Flood
Flood, in whole or in part, including **Surface Water**, waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke, leakage from **Fire Protective Equipment**. This exclusion does not apply to SECTION I, COVERAGE B, Clause 2.bb. Property In Transit or loss or damage caused directly by leakage from a watermain.
- (10) Fungi and Fungal Derivatives
a. **Fungi, Spores or Microbes** unless such **Fungi, Spores or Microbes** are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this Policy;
b. Prevention, response to, testing for, monitoring, abatement, mitigation, removal, Clean-up, containment, remediation, treatment, detoxification, neutralization, assessment or steps otherwise taken to address, deal with or dispose of **Fungi, Spores or Microbes**.
- (11) Government Action
Seizure or destruction of property by order of government authority.
- (12) Mysterious Disappearance and Inventory Shortage
Mysterious disappearance or shortage of **Equipment or Stock**.
- (13) Nuclear Hazard
a. Any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, of any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
b. Contamination by **Radioactive Material** other than through industrial usage of isotopes.
- (14) Ordinance or Law
Enforcement of by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of **Buildings** or structures including the cost of removing its debris, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss, except as provided for under the Building By-Laws coverage extension under SECTION I, COVERAGE B, Clause 2.c. Building By-Laws.
- (15) Pollution
a. Actual, alleged, potential or threatened 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 Policy;
 - (2) to loss or damage caused directly by a peril not otherwise excluded under this Policy;

b. Nor does this Policy insure any cost or expense arising out of any request, demand, order or statutory or regulatory requirement that the Insured or others test for, monitor, **Clean-up**, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effects of **Pollutants**.

- c. Nor does this Policy insure any fines or penalties assessed against or imposed upon the Insured arising directly or indirectly out of the actual, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of any **Pollutants**.
- (16) Property While Actually Being Worked Upon
Repairing, adjusting or servicing of property resulting in direct loss or damage to such property while actually being worked upon, unless fire or explosion as described in SECTION V – DEFINITIONS, Clause 23. **Named Perils** ensues and then only for such ensuing loss or damage.
- (17) Rain, Snow, Ice or Sleet
a. Rain, snow, ice or sleet to **Contents** in the open (other than **Contents** in the custody of carriers for hire), and the entrance of rain, snow, ice or sleet through doors, windows, skylights or other similar wall or roof openings; and
b. Entrance of water or natural precipitation diffused over the surface of the roof;
unless through an aperture concurrently and directly caused by a covered peril not otherwise excluded in SECTION I – COVERAGE A, Clause 4.b. Excluded Perils.
- (18) Rodents, Birds, Insects, Vermin
Rodents, birds, insects, vermin or other animals, unless concurrently and directly caused by an insured peril not otherwise excluded in SECTION I - COVERAGE A, Clause 4.b. Excluded Perils.
- (19) Seepage, Leakage or Influx of Water
Seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings, therein, foundations, basement floors, sidewalks, sidewalk lights, unless concurrently and directly caused by an insured peril not otherwise excluded in SECTION I - COVERAGE A, Clause 4.b. Excluded Perils.
- (20) Settling, Expansion, Contraction, Moving, Shifting or Cracking
Settling, expansion, contraction, moving, shifting or cracking unless concurrently and directly caused by an insured peril not otherwise excluded in SECTION I - COVERAGE A, Clause 4.b. Excluded Perils.
- (21) Snowslide, Landslide, Subsidence or Other Earth Movement
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 SECTION V – DEFINITIONS, Clause 23. **Named Perils**.
- (22) Smog
Smog.
- (23) Smoke, Vapour, or Gas from Agricultural Smudging or Industrial Operations
Smoke, vapour, or gas from agricultural smudging or industrial operations.
- (24) Terrorism
Terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **Terrorism**.

This exclusion applies whether or not there are one or more other causes or events (whether insured or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage. If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.
- (25) Utility Failure
Except as provided for under SECTION I, COVERAGE B, Clause 2.q. Interruption of Service, this Policy does not insure against loss resulting from the failure of power or other utility service supplied to any **Premises**, however caused, if the failure occurs away from the **Premises**. But if loss caused by an insured peril results, the Insurer will pay for that resulting loss.
- (26) Voluntary Parting With Any Property
Voluntary parting with any property by the Insured or anyone else to whom the Insured has entrusted the property if induced to do so by any fraudulent scheme, trick, device, or false pretence.

(27) War

Civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

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

(28) Water Leakage

Water, other liquids, powder, or molten material that leaks or flows from plumbing, heating, air conditioning, or other equipment (except **Fire Protective Equipment**) caused by or resulting from freezing, unless:

- a. the Insured does the best to maintain heat in the **Building** structure; or
- b. the Insured drains the equipment and shuts off the supply if the heat is not maintained.

(29) Wear and Tear, Sudden or Latent Defect

Wear and tear, sudden, unexpected, unintended or latent defect, or any quality in property that causes it to damage or destroy itself, inherent vice, faulty or improper material, workmanship, or design, but this exclusion does not apply to loss or damage caused directly by **Named Perils**, rupture of pipes or breakage of apparatus not otherwise excluded under this Policy, theft or attempted theft or accident to transporting conveyance.

COVERAGE B: COMMERCIAL PROPERTY COVERAGE EXTENSIONS

1. Insuring Agreement

Subject to all the terms and conditions of this Policy and the endorsements attached, and in reliance upon the statements in the **Declarations** made a part of this Policy, the Insurer agrees to indemnify the Insured against the direct physical loss or damage occurring during the **Policy Period** to insured property caused by or resulting from a peril not otherwise excluded up to an amount of insurance specified in the **Declarations** for each extension of coverage.

2. Extensions of Coverage

a. Accounts Receivable

(1) Insuring Agreement

This Policy is extended to insure against all risks of direct physical loss or damage to the Insured's records of accounts receivable occurring during the **Policy Period** up to the Limit of Insurance for Accounts Receivable shown in the **Declarations**.

This coverage includes:

- (a) all sums due to the Insured from customers, but the Insured cannot collect because of direct physical loss or damage to the Insured's accounts receivable records;
- (b) interest charges on loans the Insured has been required to obtain to offset impaired collections pending the Insurer's payment of such amounts;
- (c) extra collection expense in excess of normal collection cost and made necessary because of loss or damage;
- (d) reasonable cost of preparing new accounts receivable records to replace those lost or damaged.

This insurance shall apply only while accounts receivable records are contained in the **Premises** described as Insured Location(s) in the **Declarations**. It is a condition precedent to any right of recovery hereunder that, except while in actual use, such records be kept in receptacles (minimum of metal filing cabinets), when the **Premises** are not open for business.

This insurance also applies while accounts receivable records are being removed to and while at a place of safety because of imminent danger of loss or damage and while being returned therefrom, provided the Insured notifies the Insurer in writing within 30 days of such removal.

(2) Exclusions

This Extension for Accounts Receivable does not apply to:

- (a) Alteration, Falsification, Manipulation, Concealment, or Destruction of Records
Loss due to alteration, falsification, manipulation, concealment, destruction or disposal of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of **Money, Securities** or other property but only to the extent of the wrongful giving, taking, obtaining or withholding.
- (b) Errors or Omissions
Loss due to bookkeeping, accounting or billing errors or omissions.
- (c) Loss Dependent Upon Audit of Records or Inventory Computation
Loss, the proof of which is as to factual existence, is dependent upon an audit of records or an inventory computation; but this shall not preclude the use of such procedures in support of claim for loss which the Insured can prove, through evidence wholly apart therefrom, is due solely to a risk of loss to records of accounts receivable not otherwise excluded hereunder.

(3) Basis of Settlement

When there is a proof of loss covered by this extension but the Insured cannot accurately establish the total amount of accounts receivable outstanding on the date of loss, such amount shall be based on the Insured's monthly statements and shall be computed as follows:

- (a) The Insurer will determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
- (b) The Insurer will calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the 12 months immediately preceding the month in which the loss occurs, or such part thereof for which the Insured has furnished monthly statements to the Insurer, as compared with such average for the same months of the preceding year;
- (c) The Insurer will further adjust the monthly average to reflect any changes in the month when the loss occurred which were different from an average month. The Insurer will also consider the normal fluctuations in accounts receivable within that month;
- (d) Finally, the Insurer will deduct the amount of accounts receivable for which records were not lost or damaged; amounts the Insured can prove by other evidence are owed to the Insured, or amounts the Insured is able to collect; the amount of bad debts the Insured would not have been able to collect any way; and the unearned interest and service charges on deferred accounts receivable payments.

The Insurer will never pay more than the lesser of the adjusted highest monthly amount of accounts receivable or the Limit of Insurance for Accounts Receivable shown in the **Declarations**.

(4) Inspection and Audit

The Insurer shall be permitted to inspect the **Premises** and the receptacles in which the records of accounts receivable are kept by the Insured at **Premises** described as an Insured Location(s) in the **Declarations**, and to examine and audit the Insured's books and records at any time during the **Policy Period** and any extension thereof and within three years after the final termination of this Policy, as far as they relate to the subject matter of any outstanding accounts receivable record submitted by the Insured and the amount of recoveries of accounts receivable on which the Insurer has made any settlement.

(5) Recoveries

After payment of loss, all amounts recovered by the Insured on accounts receivable for which the Insured has been indemnified shall belong and be paid to the Insurer by the Insured up to the total amount of loss paid by the Insurer, but all recoveries in excess of such amounts shall belong to the Insured. Also, at the request of the Insurer, the Insured must help the Insurer to collect all sums due to the Insured from customers.

b. Arson or Theft Award

In the event of loss or damage by fire that results from an act of arson or from theft or attempted theft for which coverage is afforded under this Policy, the Insurer will reimburse the Insured for rewards paid for information directly leading to convictions for that act of arson or theft up to the Limit of Insurance for Arson or Theft Award shown in the **Declarations**.

c. Building By-Laws

This Policy shall, and only as a result of an insured peril, indemnify the Insured up to the Limit of Insurance for Building By-Laws shown in the **Declarations**, for:

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

This coverage, however, does not insure against:

- (1) the enforcement of any by-law, regulation, ordinance or law which prohibits the Insured from rebuilding, or repairing on the same site or adjacent site or prohibits continuance of like occupancy;
- (2) direct or indirect loss, damage, cost or expense, fines or penalties, arising out of the **Clean-up**, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of **Pollutants**;
- (3) direct or indirect loss, damage, cost or expense, fines or penalties, for any testing, monitoring, evaluation or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **Pollutants**.

d. Building Damage By Theft

This Policy is extended to insure direct physical loss or damage caused by or resulting from an insured cause of loss (except by fire) to that part of a **Building**, at a **Premise** described as an Insured Location in the **Declarations**, and occupied by the Insured directly resulting from theft or attempted theft and from vandalism or malicious acts committed on the same occasion, provided the Insured is the owner of such **Building** or is liable for such damage and the **Building** is not otherwise covered hereunder. Glass and lettering or ornamentation thereon is excluded from this extension. The Insurer will not pay under this Extension more than the Limit of Insurance for Building Damage By Theft shown in the **Declarations**.

e. Debris Removal and Windstorm Debris Removal

- (1) Debris Removal: The Insurer will indemnify the Insured for expenses incurred in the removal from the **Premises** of debris of insured property, occasioned by direct physical loss or damage to such insured property caused by or resulting from an insured cause of loss. The amount payable under this coverage shall not exceed 25% of the total amount payable for the direct physical loss to property covered plus the amount of the applicable deductible. These expenses will only be paid if they are reported to the **Insurer** in writing within 180 days of the date of loss.
- (2) Windstorm Debris Removal: The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not covered by this Policy but which has been blown by windstorm upon a location specified in the **Declarations**.

However, Extensions of Coverage e.(1) and e.(2) do not apply to costs or expenses:

- (1) to **Clean-up**, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize **Pollutants** from land or water; or
- (2) 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**.

The Insurer will not pay more under this Extension than the Limit of Insurance for Debris Removal and Windstorm Debris Removal shown in the **Declarations**.

f. Deferred Payments

This Policy is extended to insure the **Deferred Payments** for loss which occurs as the result of the total or partial covered loss of **Contents** which the Insured has sold to others and has not been paid.

- (1) When a total loss of the sold **Contents** occurs, the amount of the **Deferred Payments** loss shall be the

amount shown on the Insured's book of account as due from the buyer.

- (2) When a partial loss of the sold **Contents** occurs and the buyer refuses to continue payment, forcing the Insured to repossess the **Contents**, the amount of **Deferred Payments** loss should be computed as follows:
- (a) if the realized value of the repossessed **Contents** is greater than or equal to the amount shown on the Insured's books as due from the buyer, the Insurer will make no payment; or
 - (b) if the realized value of the repossessed **Contents** is less than the amount shown on the Insured's books as due from the buyer, the Insurer will pay the difference.

The Insurer will not pay more under this Extension than the Limit of Insurance for Deferred Payments shown in the **Declarations**.

g. Employee Dishonesty

This Policy is extended to insure loss of **Money**, **Securities** and other property which the Insured shall sustain resulting directly from one or more **Dishonest or Fraudulent Acts** committed by an **Employee**, acting alone or in collusion with others. Loss under this Extension does not include damage to **Money**, **Securities** and other insured property.

The maximum amount of insurance under this coverage during any one **Policy Period** shall not exceed in the aggregate the Limit of Insurance for Employee Dishonesty shown in the **Declarations**.

h. Expediting Expenses

This Policy is extended to insure the reasonable extra cost to make temporary repairs and to expedite the permanent repair or replacement of covered property, damaged by an insured peril, including overtime and the extra cost of express or other rapid means of transportation. The Insurer will not pay under this Extension more than the Limit of Insurance for Expediting Expenses shown in the **Declarations**.

i. Exterior Signs

This Policy is extended to insure exterior signs, including street clocks, communication towers, antennae and satellite receivers located beyond the legal property line of a **Premises** described as an Insured Location in the **Declarations** for accidental breakage excluding loss or damage caused by wear and tear, latent defect, corrosion or rust, mechanical breakdown, any peril excluded in Excluded Perils described in item 4.b.(3) and item 4.b.(20) above, or during installation, repairing or dismantling.

The Insurer will not pay more under this Extension than the Limit of Insurance for Exterior Signs shown in the **Declarations**.

j. Extra Expense

This Policy is extended to insure the necessary **Extra Expense** over and above the Insured's ordinary business expenses, which are necessary to avoid or minimize the suspension of business and return to **Normal** operations after a covered loss at the **Premises** described as Insured Location(s) in the **Declarations**.

Extra Expense coverage enables the Insured to continue **Normal** operations at a temporary location or with substitute **Equipment**. However, the Insured must make every reasonable effort to resume complete or partial operations as soon as practicable. The Insurer will pay for **Extra Expenses** only for the **Period of Restoration**.

If property at neighbouring premises is damaged by an insured peril and, as a result, a governmental agency prohibits the Insured from using a **Premises** described as Insured Location(s) in the **Declarations**, the Policy will cover the Insured's **Extra Expense** for up to 30 days or until the Limit of Insurance shown in the **Declarations** is exhausted, whichever occurs first.

The Insurer shall not be liable for:

- (1) loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of whatever nature;
- (2) loss due to suspension, lapse or cancellation of any lease or license, contract or order;
- (3) the cost of compiling books of account, abstracts, drawings, card index systems or other records including film, tape, disc, drum, cell or other magnetic recording or storage media for **Electronic Data Processing Equipment**; or
- (4) any increase of loss due to interference at the **Premises** described as Insured Location(s) in the

Declarations by strikers or other persons, with rebuilding, repairing or replacing property, or with the resumption or continuation of business.

The Insurer will not pay more under this Extension than the Limit of Insurance for Extra Expense shown in the **Declarations**.

k. Fine Arts

This Policy is extended to insure the direct physical loss or damage to the Insured's **Fine Arts** or to the **Fine Arts** of others in the Insured's care, custody, or control caused by or resulting from a peril not otherwise excluded at a **Premise** described as an Insured Location in the **Declarations**. **Fine Arts** will be valued at their market value at the time of the loss.

The Insurer will not pay more under this Extension than the Limit of Insurance for Fine Arts shown in the **Declarations**.

l. Fire Department Service Charges

This Policy is extended to insure the Insured's liability assumed by contract or agreement or required by local ordinance, prior to the loss, for Fire Department Service Charges when the Fire Department is called to save or protect covered property from an insured peril. No deductible applies to this coverage. The Insurer will not pay more under this Extension than the Limit of Insurance for Fire Department Service Charges shown in the **Declarations**.

m. Fire Protective Equipment Recharge

This Policy is extended to insure the cost to recharge any **Fire Protective Equipment** which has been discharged in an effort to protect covered property at a **Premises** described as an Insured Location in the **Declarations** from a peril not otherwise excluded. The Insured agrees to keep any **Fire Protective Equipment** under the Insured's control in good working order while this coverage is in effect. Failure to maintain the system in good working order will result in this extension of coverage being suspended until such time as the protection is restored to good working order. The Insurer will not pay the cost of recharging the **Fire Protection Equipment** if damage to such **Fire Protection Equipment** was caused directly or indirectly by freezing.

The Insurer will not pay more under this Extension than the Limit of Insurance for Fire Protective Equipment Recharge shown in the **Declarations**.

n. Glass

This Policy is extended to insure the accidental breakage of all exterior glass and/or vitrolite including lettering, ornamentation or burglary alarm tape thereon, caused by or resulting from a peril not otherwise excluded at a **Premise** described as an Insured Location in the **Declarations**, and provided the Insured is owner of the **Building** or is legally liable for such damage. This coverage also includes the expenses incurred for boarding up damaged openings or installing temporary plates.

The Insurer will not pay more under this Extension than the Limit of Insurance for Glass shown in the **Declarations**.

o. Improvements and Betterments - Undamaged

This Policy is extended to cover loss of undamaged tenant's improvements when the Insured's lease is canceled:

- (1) by the lessor; and
- (2) by a valid condition of the Insured's lease,

due to direct physical loss or damage to **Building(s)** or **Contents** caused by or resulting from a peril not otherwise excluded at a **Premise** described as an Insured Location in the **Declarations**.

The liability of the Insurer shall be determined to be that portion of the original cost of the undamaged 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 of the lease. The Insurer will not pay more under this Extension than the Limit of Insurance for Improvements and Betterments shown in the **Declarations**.

p. Installation

This Policy is extended to insure direct physical loss or damage to **Contents** caused by or resulting from a peril not otherwise excluded, while at or in transit to or from an installation job site:

- (1) awaiting and during installation;
- (2) awaiting and during tests;
- (3) awaiting acceptance by the buyer.

However, this Policy does not insure damage caused by:

- (1) electric or magnetic injury, disturbance or erasure of electronic recordings, except by lightning; or
- (2) weight of a load exceeding the registered lifting capacity of any machinery.

This Extension of Coverage ceases:

- (1) thirty (30) days after completion of the project;
- (2) the termination or expiration of this insurance;
- (3) the insurable interest of the Insured ceases; or
- (4) the installation activity has ceased for more than thirty (30) consecutive days;

whichever occurs first.

The Insurer will not pay more under this Extension than the Limit of Insurance for Installation shown in the **Declarations**.

q. Interruption of Service

This Policy will insure the damage to **Contents** caused by or resulting from the interruption of service to the **Premises** described as Insured Location(s) in the **Declarations**. The interruption must result from direct physical loss or damage caused by or resulting from a peril not otherwise excluded to the following property, not on a **Premises**:

- (1) Water Supply Service Property, meaning the following types of property supplying water to the **Premises** described as Insured Location(s) in the **Declarations**:
 - (a) pumping stations; and
 - (b) water mains.
- (2) Power Supply Services Property, meaning the following types of property supplying electricity, steam or gas to the **Premises** described as Insured Location(s) in the **Declarations**:
 - (a) public or private generating plants;
 - (b) switching stations;
 - (c) substations;
 - (d) transformers; and
 - (e) transmission lines and/or distribution lines located or installed below ground or water.

The most the Insurer will pay for loss or damage in any one **Occurrence** under this extension coverage is up to the Limit of Insurance shown in the **Declarations**.

r. Land and Water Pollution Clean-Up

(1) Insuring Agreement

The Insurer will indemnify the Insured, for expenses incurred to **Clean-up Pollutants** from land or water at the **Premises** described as Insured Location(s) in the **Declarations** provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of **Pollutants**:

- (a) is occasioned by loss or damage to insured property at the **Premises** described as Insured Location(s) in the **Declarations**;
- (b) is sudden, unexpected and unintended from the standpoint of the Insured; and
- (c) first occurs during the **Policy Period**.

The maximum amount of insurance for this coverage during any one **Policy Period** shall not exceed in the aggregate the Limit of Insurance shown in the **Declarations**.

(2) No Automatic Reinstatement

Notwithstanding the Reinstatement Clause in this Policy, following a loss under this coverage, the amount of insurance specified above will be reduced by the amount payable.

(3) Exclusions

This extension does not apply to:

- (a) 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**;
- (b) 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 coverage;
- (c) fines, penalties, punitive or exemplary damages;
- (d) 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, processing or treatment of waste.

(4) Additional Conditions

- (a) Reporting Period: It is a condition precedent to recovery that all expenses insured by this coverage must be incurred and reported to the Insurer within 180 days of the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of **Pollutants** for which **Clean-up** expenses are being claimed.
- (b) Other Insurance: The insurance afforded by this extension of coverage shall apply as excess over any other valid and collectible insurance available to the Insured or any other interested party.

s. Lease Bonus Payments

This Policy is extended to insure loss of lease bonus payment(s) arising from direct physical loss caused by or resulting from a peril not otherwise excluded to insured property at a **Premise** described as an Insured Location in the **Declarations**. Lease bonus payment(s) is the unamortized portion of a cash bonus that will not be refunded to the Insured due to the cancellation of the Insured's lease.

A cash bonus is money paid by the Insured to acquire the lease. It does not include:

- (1) rent, whether or not prepaid; or
- (2) security.

The Insurer will not pay more under this Extension than the Limit of Insurance for Lease Bonus Payments shown in the **Declarations**.

t. Leasehold Interest

This Policy is extended to insure loss of **Covered Leasehold Interest** the Insured sustains due to the cancellation of the Insured's lease. The cancellation must result from direct physical loss or damage to insured property caused by or resulting from a peril not otherwise excluded.

The Insurer will not pay more under this Extension than the Limit of Insurance for Leasehold Interest shown in the **Declarations**.

u. Master Key

This Policy is extended to insure loss caused by the necessary replacement or re-adjustment of locks or keys that control all doors of the **Building** at a **Premise** described as an Insured Location in the **Declarations** because of direct physical loss or damage to insured property caused by or resulting from a peril not otherwise excluded. This coverage insures the cost of the replaced locks and keys including the labour cost for installation. No deductible amount shall apply to this coverage. The Insurer will not pay more under this Extension than the Limit of Insurance for Master Key shown in the **Declarations**.

v. Mobile Communication Equipment

This Policy is extended to insure direct physical loss or damage to **Mobile Communication Equipment** caused by or resulting from a peril not otherwise excluded, while the **Mobile Communication Equipment** is away from the **Premises** described as Insured Location(s) in the **Declarations**.

The Insurer will not pay more under this Extension than the Limit of Insurance for Mobile Communication Equipment shown in the **Declarations**.

w. Money and Securities

This Policy is extended to insure loss of **Money** or **Securities** by burglary or robbery while in or on the **Premises** described as Insured Location(s) in the **Declarations** or while being conveyed by the Insured or an **Employee** of the Insured to or from a bank, post office or other business office.

The Insurer will not pay more under this Extension than the Limit of Insurance for Money and Securities shown in the **Declarations**.

x. Newly Acquired Location or Newly Constructed Property

This Policy is extended to insure direct physical loss or damage to **Building** and **Contents** caused by or resulting from a peril not otherwise excluded at any acquired location or any newly constructed property that is owned, rented or controlled by the Insured in whole or in part.

Coverage under this extension will end when any of the following occurs first:

- (1) this Policy expires;
- (2) 30 days expire after the Insured acquires or begins to construct the property; or
- (3) the Insured reports values to the Insurer.

The Insurer will charge the Insured an additional premium for values reported from the date construction begins or the Insured acquires the insured property. The most the Insurer will pay for loss or damage provided by this Extension is up to the Limit of Insurance for Newly Acquired Location or Newly Constructed Property shown in the **Declarations**.

y. Outdoor Growing Plants, Trees, Shrubs or Flowers

This Policy is extended to insure direct physical loss or damage to outdoor growing plants, trees, shrubs or flowers at a **Premise** described as an Insured Location in the **Declarations** caused directly by **Named Perils** with the exception of windstorm or hail as described in SECTION V – DEFINITIONS, Clause 23. **Named Perils**, or from theft or attempted theft. This coverage shall be limited to a maximum recovery of the \$500 per item, and of the Limit of Insurance for Outdoor Growing Plants, Trees, Shrubs or Flowers per **Occurrence** shown in the **Declarations**, including debris removal expense. The deductible amount shown in the **Declarations** shall apply to any one **Occurrence**.

z. Preservation of Property

This Policy is extended to insure any direct physical loss or damage to covered property caused by or resulting from a peril not otherwise excluded, while it is being temporarily stored at a location not described in the **Declarations**, if it is necessary to relocate covered property from a **Premise** described as an Insured Location in the **Declarations** to preserve it from loss caused by or resulting from a peril not otherwise excluded, and only if the loss occurs within 30 days of being relocated.

The Insurer will not pay more under this Extension than the Limit of Insurance for Preservation of Property per **Occurrence** shown in the **Declarations**.

aa. Professional Fees, Inventory or Appraisals

In the event of direct physical loss or damage from an insured peril caused by or resulting from a peril not otherwise excluded, the Insurer will pay:

- i. reasonable fees to auditors, accountants, architects, engineers or other professionals other than public adjusters and the Insured's own **Employees** for producing and certifying particulars or details of the Insured's business
- ii. the cost of any inventory or appraisal that is required in connection with a covered loss,

required by the Insurer in order to arrive at the amount of loss payable under this Policy.

This extension applies only to fees incurred in establishing the quantum of a loss, liability for which is otherwise accepted by the Insurer. The most the Insurer will pay under this Extension is the Limit of Insurance for Professional Fees, Inventory or Appraisals shown in the **Declarations**.

bb. Property In Transit

This Policy is extended to insure direct physical loss or damage to **Contents** in transit caused by or resulting from a peril not otherwise excluded, in the following circumstances:

- (1) in the due course of transit in or on any one vehicle owned, leased or operated by the Insured except in transit to or from an installation job site;
- (2) in the custody of a **Common Carrier**;
- (3) in an aircraft;
- (4) on ferry or railway car transfer in connection with land transportation; or
- (5) in the custody of postal authorities if the package is registered.

This Policy will also cover:

- (1) the Insured's interest in shipments sold under free on board (FOB) or freight allowed terms, provided any amount recoverable is not collectible from the purchaser or under any other insurance that would have attached if this coverage had not been issued;
- (2) loss or damage to returned shipments and shipments which may have been refused and or goods or **Stock** temporarily held in custody of a carrier awaiting disposition instructions;
- (3) loss of property caused by fraud or deceit perpetrated by any person or persons who may represent themselves to be the proper party to receive goods for shipments or accept goods for delivery.

This Extension for Property In Transit does not apply to **Mobile Communication Equipment** or **Equipment** or **Stock** while in transit to an installation job site.

The Insurer will not pay more under this Extension than the Limit of Insurance for Property In Transit shown in the **Declarations**.

cc. Property of Employees

At the option of the Insured, **Equipment** also includes direct physical loss or damage to insured property caused by or resulting from a peril not otherwise excluded to **Property of Employees**. This Policy Extension on such property:

- (1) 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;
- (2) is, in any event limited to a maximum recovery of \$1,000 in respect of any one **Employee**, up to the Limit of Insurance for Property of Employees per **Occurrence** shown in the **Declarations**.
- (3) shall apply only to loss or damage occurring at the **Premises**.

The deductible amount shown in the **Declarations** shall apply to any one **Occurrence**.

dd. Rents

This Policy is extended to insure loss of rents arising from direct physical loss or damage to insured property caused by or resulting from a peril not otherwise excluded. Rents will be determined by calculating the sum of gross income from the **Building**, amount of all charges assumed by the tenants which would otherwise be the Insured's obligation; rental value of the part of the **Building** occupied by the Insured, rental value of vacant parts of the **Building** that would have been rented had no loss occurred, and any other income derived from the use of the **Building**.

If property other than at a **Premise** described as Insured Location in the **Declarations** suffers direct physical loss or damage caused by or resulting from a peril not otherwise excluded and, as a result, a governmental agency prohibits the Insured from using a **Premise** described as Insured Location in the **Declarations**, this Policy also insures loss of rents including expenses necessary to reduce the loss for up to 30 days, but not to exceed the Limit of Insurance shown in the **Declarations**. In no event shall the total of these expenses exceed the amount by which the rents loss is reduced.

The amount of rents and other income loss will be determined based on the rents and other income of the **Building** before the loss occurred and the likely rents and other income of the **Building** if no loss had occurred. The Insurer will not pay more for this Extension than the Limit of Insurance for Rents shown in the **Declarations**.

ee. Rents Prepaid By The Insured

This Policy is extended to insure rents prepaid by the Insured that will not be refunded to the Insured arising from direct physical loss or damage to insured property caused by or resulting from a peril not otherwise excluded. Rents prepaid means the amortized portion of any amount of advance rents paid by the Insured. This does not include the customary rents due at:

- (1) the beginning of each month; or
- (2) any other rental period.

The Insurer will not pay more under this Extension than the Limit of Insurance for Rents Prepaid By The Insured shown in the **Declarations**.

ff. Temporary Locations

This Policy is extended to insure direct physical loss or damage to **Contents** caused by or resulting from a peril not otherwise excluded, while temporarily away from the **Premises** described as an Insured Location(s) in the **Declarations** for a period not exceeding 30 consecutive days. This includes, but is not limited to, salesman's samples, exhibits and property being demonstrated. There shall be no liability under this item at any location owned, rented or controlled in whole or in part by the Insured or at any installation job site.

This Extension for Temporary Locations does not apply to **Mobile Communication Equipment** or **Contents** while at an installation job site.

The Insurer will not pay more under this Extension than the Limit of Insurance for Temporary Locations shown in the **Declarations**.

gg. Valuable Papers and Records

This Policy is extended to insure the costs of research and other expenses to replace or restore the information on **Valuable Papers and Records** for which there are no duplicates, in excess of the cost of blank material after producing the records and labour to transcribe or copy the records for which there are duplicates. This extension of coverage applies to **Valuable Papers and Records** including those which exist on **Electronic Data** (other than prepackaged software) which are lost or damaged in any one loss.

The insurance provided by this coverage applies:

- (1) while the covered **Valuable Papers and Records** are contained in **Premises** described as Insured Location(s) in the **Declarations**. It is a condition precedent to any right or recovery hereunder, that the **Valuable Papers and Records** shall be kept in receptacles (minimum of metal filing cabinets) at all times when such **Premises** are not open for business, except while such **Valuable Papers and Records** are in actual use or as stated in (2) or (3) below;
- (2) while the covered **Valuable Papers and Records** are being removed to, and while at a place of safety because of imminent danger of loss or damage and while being returned from such place, provided the Insured notifies the Insurer in writing within 30 days of such removal;
- (3) while the **Valuable Papers and Records** are being conveyed outside the **Premises** described as Insured Location(s) in the **Declarations** or temporarily in other locations (except for storage).

This extension does not apply to:

- (1) any loss directly resulting from errors or omissions in processing or copying unless fire or explosion ensues and then only for the direct loss caused by such ensuing fire or explosion;
- (2) any loss of property held as samples or for sale or for delivery after sale;
- (3) any loss of property which cannot be replaced with other of like kind and quality.

The limit of the Insurer's liability for loss shall not exceed the **Actual Cash Value** of the property at the time of loss, nor what it would cost to repair or replace the property with other of like kind and quality. The Insurer may pay for the loss in money or may repair or replace the property and may settle any claim for loss of the property either with the Insured or the owner thereof. Any property so paid for or replaced shall become the property of the Insurer. The Insured or Insurer, upon recovery of any such property, shall give notice thereof as soon as practicable to the other and the Insured shall be entitled to the property upon reimbursing the Insurer for the amount so paid or the cost of replacement.

The Insurer will not pay more under this Extension than the Limit of Insurance for Valuable Papers and Records shown in the **Declarations**.

II LIMITS OF LIABILITY

The most the Insurer will pay for loss in any one **Occurrence** and in the aggregate is the applicable Limits of Insurance shown in the **Declarations**.

III DEDUCTIBLE

In the event of a claim under this Policy, caused by an insured peril, the Insurer shall be liable only for the amount by which the adjusted claim exceeds the deductible amount for the applicable coverage shown in the **Declarations** up to the Limit of Insurance.

Unless otherwise indicated in this Policy, the deductible amount shown in the **Declarations** applies separately to each and every covered claim.

If two or more deductibles apply to the same **Occurrence**, only the largest single deductible will apply, unless otherwise stated.

IV COINSURANCE

Coinsurance applies separately to each item for which a co-insurance percentage is shown in the **Declaration** and only where the amount of loss or damage exceeds 2% of the applicable amount of insurance or \$50,000, whichever is more.

The Insured shall maintain insurance concurrent with this form on the insured property to the extent of at least the amount produced by multiplying the value of the property as determined in VI. General Conditions, 26. Valuation by the co-insurance percentage specified on the **Declaration**. If the Insured failed to do so, the Insured shall be entitled to recover only that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this Coinsurance Clause.

V DEFINITIONS

Whenever appearing in this Policy, words and phrases appearing in **bold type** shall have the meanings set forth below. These Definitions apply to the singular and the plural of these terms as circumstances and context require.

1. **Actual Cash Value** means the actual value of the property at the time of loss or damage, with proper deduction for depreciation. In no event shall such value exceed what it would then cost to repair or replace the same with material of like kind and quality or the limit of liability applying to the property.
2. **Building** means the building(s) at Insured Location(s) and described in the **Declarations** and includes:
 - a. permanent structures pertaining to the building(s) and located on the **Premises**;
 - b. completed additions and extensions communicating and in contact with the building(s);
 - c. permanent fittings and fixtures attached to and forming part of the building(s);
 - d. materials, equipment and supplies on the **Premises** for maintenance of, and normal repairs and minor alterations to the **Building** or for building services;
 - e. growing plants, trees, shrubs or flowers inside the **Building** used for decorative purposes when the Insured is the owner of the **Building**.
 - f. if not covered by other insurance:
 - (1) additions under construction, alterations and repairs to the building or structure;
 - (2) materials, equipment, supplies and temporary structures, located on the **Premises**, used for making additions, alterations or repairs to the building or structure.
3. **Clean-up** means the removal, containment, treatment, detoxification, decontamination, stabilization, neutralization or remediation of **Pollutants**, including testing and monitoring which is integral to the aforementioned processes.
4. **Common Carrier** means railroad companies, public truckers or motor transportation companies, including rail and vehicular freight forwarders.
5. **Contents** means **Equipment** and **Stock** as herein defined.
6. **Covered Leasehold Interest** means the tenant's lease interest, meaning the difference between:
 - a. the rent paid by the Insured at the **Premises** described as Insured Location(s) in the **Declarations**; and
 - b. the rental value of the **Premises** described as Insured Location(s) in the **Declarations** leased by the Insured.

7. **Data** means representations of information or concepts, in any form.
8. **Data Problem** means:
- erasure, disturbance, destruction, corruption, misappropriation, misinterpretation of **Data**;
 - error in creating, amending, entering, deleting or using **Data**;
 - inability to receive, transmit or use **Data**.
9. **Declarations** means the Declarations Page(s) applicable to this Policy.
10. **Deferred Payment** means the Insured's interest in lost or damaged personal property sold by the Insured under a conditional sale or trust agreement or under any instalment or deferred payment plan after delivery to the buyer.
11. **Dishonest or Fraudulent Acts** means fraudulent or dishonest acts committed by an **Employee** with the intent:
- to cause the Insured to sustain loss; and
 - 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.
12. **Electronic Data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, DVD-ROMS, films, tapes, drives, universal serial bus devices (USB's), cards, drums, cells, data processing devices or any other media which are used with electronically controlled equipment.
13. **Electronic Data Processing Equipment** means data processing systems including **Equipment**, component parts and related systems, peripheral equipment including air conditioning and **Fire Protective Equipment** used solely for data processing operations. This does not include **Equipment** held for sale or distribution and **Equipment** in the course of manufacture.
14. **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 directly or indirectly by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. As applied to loss under SECTION I, COVERAGE B, Clause 2.g. Employee Dishonesty, the above words "while in the regular service of the Insured" shall include the first 30 days thereafter.
15. **Equipment** means:
- generally all contents usual to the Insured's business including furniture, furnishings, fittings, fixtures, machinery, tools, utensils, appliances and **Electronic Data Processing Equipment** including software, and generally all contents other than:
 - Building** or **Stock** as herein defined;
 - permanent fixtures and fittings attached to and forming part of any building or structure;
 - materials and supplies intended for use in construction, alteration, maintenance or repair of any **Building(s)** or structure(s);
 - Equipment** used for the maintenance or service of any **Building(s)** or structure(s);
 - similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable;
 - 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 Policy applies as though such tenant's improvements had been made at the expense of the Insured.

16. **Extra Expense** means the excess (if any) of the total cost during the **Period of Restoration** for the purpose of continuing the Insured's business over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other similar necessary emergency expenses.
17. **Fine Arts** includes 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) of rarity, historical value or artistic merit.
18. **Fire Protective Equipment** includes tanks, watermains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
- branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
 - any watermains or appurtenances located outside of the **Premises** described as Insured Location(s) in the **Declarations** and forming a part of the public water distribution system;
 - any pond or reservoir in which the water is impounded by a dam.
19. **Fungi** includes, but is not limited to, any form or type of fungus, mould, yeast, mildew, rust, smut or mushroom, wet or dry rot, or bacteria whether or not allergenic, pathogenic or toxigenic, or any substance, vapour, gas, products, or by products produced by, emitted from or arising out of any **Fungi** or **Spores** or resultant mycotoxins, allergens, or pathogens. But, **Fungi** does not include any **Fungi** intended by the Insured for consumption.
20. **Microbes** means any non-fungal microorganism or non-fungal, colony-form organism that causes infection or disease. **Microbes** include any **Spores**, mycotoxins, odours, or any other substances, products, or by-products produced by, released by, or arising out of the current or past presence of **Microbes**.
21. **Mobile Communication Equipment** means mobile or handheld **Electronic Data Processing Equipment** including but not limited to:
- cellular telephone;
 - laptop computers;
 - personal digital assistants; or
 - mobile hand held global positioning devices.
- Mobile Communication Equipment** does not mean:
- Equipment** held for sale or distribution;
 - salesman's samples;
 - Equipment** while at or in transit to or from an installation job site;
 - exhibits or property being demonstrated; or
 - Equipment** while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation.
22. **Money** means currency, coins, bank notes, traveller's cheques, registered cheques, money orders and bullion in current use and having a face value.
23. **Named Perils** means:
- Fire or Lightning
 - Explosion: Except with respect to explosion of natural, coal or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
 - (a) 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;
 - (2) 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;
- (3) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
 - (4) any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property covered hereunder that has been damaged by such explosion;
 - (5) gas turbines;

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

- (1) electric arcing or any coincident rupture of electrical equipment due to such arcing;
- (2) bursting or rupture caused by hydrostatic pressure or freezing;
- (3) 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:

- (1) caused by land vehicles belonging to or under the control of the Insured or any of his **Employees**;
- (2) to aircraft, spacecraft or land vehicles causing the loss;
- (3) 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:

- (1) due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
- (2) 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 SECTION V – DEFINITIONS, Clause 23. b.;
- (3) 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 as Insured Location(s) in the **Declarations** or for adjoining locations 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:

- (1) 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;
- (2) 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.

24. **Normal** means the condition that would have existed had no physical loss or damage occurred.

25. **Occurrence** means a sudden, unforeseen, unintended event, including continuous or repeated exposure to the same event which results in physical loss or damage to the Insured's property. Such loss must neither be expected nor intended by the Insured.

26. **Period of Restoration** means the period of time that:
- begins with the date of direct physical loss or damage caused by or resulting from a peril not otherwise excluded; and
 - ends on the date when the property should have been repaired, rebuilt, or replaced with reasonable speed and similar quality. **Period of Restoration** includes any increase period required due to the enforcement of any law regulating the construction, use, or repair, or requires the tearing down of any damaged or destroyed property. The expiration date of this Policy will not cut short the **Period of Restoration**, but such period shall not in total exceed 360 days from the date of **Occurrence**.
27. **Policy Period** means the period as specified within the **Declarations** of this Policy.
28. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
29. **Premises** means the entire area within the property lines and areas under adjoining sidewalks and driveways at:
- the Insured Location(s) described in the **Declarations**;
 - temporary locations (other than an installation job site) and any newly acquired location, if covered by this Policy;
- and in or on vehicles within 100 metres (328 feet) of such locations.
30. **Professional Fees** means reasonable fees/charges payable by the Insured for producing and certifying financial records or documents required by the Insurer.
31. **Property of Employees** means property other than **Money** or **Securities** which belongs to an individual **Employee** and is primarily for the individual owner's personal use; for example, clothing, luggage, household furnishings, or writing materials.
32. **Property of Every Description** means **Building(s)**, **Equipment** and **Stock** as herein defined.
33. **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.
34. **Replacement Cost** means the cost of replacing, repairing, constructing or reconstructing (whichever is the least) insured property on the same site with new property of like kind and quality and for the like occupancy without deduction for depreciation; and includes repair, construction or reconstruction with new property of like kind and quality. 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 Policy.
- Replacement Cost** does not apply to:
- any increase in the cost of replacement occasioned by ordinance or law;
 - Stock**;
 - patterns, dies, moulds;
 - 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;
 - 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.
35. **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**.
36. **Sewer Back-up** means water which backs up through sewers, sumps, septic tanks or drains.
37. **Smog** means atmospheric pollutants or contaminants emanating from industrial operations, automobiles and other human activities other than agricultural smudging or industrial operations.

38. **Spores** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any **Fungi**.
39. **Stock** means:
- Merchandise of every description usual to the Insured's business but does not include motor vehicles, trailers or semi-trailers or equipment and accessories attached to them;
 - packing, wrapping and advertising materials; and
 - similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable;
- but does not include **Securities**.
40. **Surface Water** means water or natural precipitation temporarily diffused over the surface of the ground.
41. **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.
42. **Valuable Papers and Records** means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, original plans, specifications, abstracts, deeds, mortgages, manuscripts and other records, but excluding **Money** and **Securities**, **Electronic Data**, control tapes or discs.

VI GENERAL CONDITIONS

- Bankruptcy**
Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve the Insurer of the Insurer's obligations under this Policy.
- Books and Records**
The Insured shall keep records of all of the insured property in such manner that the Insurer can accurately determine therefrom the amount of loss.
- 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 Policy, the breach shall not disentitle the Insured from recovery if the Insured establishes that the loss was not caused or contributed to by the breach of condition or if the breach of condition occurred in any portion of the Premises over which the Insured has no control.
- Canadian Currency Clause**
All Limits of Insurance, premiums and other amounts as expressed in this Policy are in Canadian currency.
- Changes**
This Policy contains all the agreements between the Insured and the Insurer concerning the insurance provided by this Policy. Only the first Named Insured may request changes to this Policy however, such changes will be effective only upon the Insurer's consent as evidenced by their issuing an endorsement which will form part of this Policy.
- Change of Interest or Transfer of Rights and Duties**
The Insurer will not be liable to anyone other than the Insured unless the Insurer has been advised of a change of interest and consented to it. However, if the Insured dies, or is declared insolvent or bankrupt, this Policy will insure the Insured's legal representative, but only while acting within the scope of duties as the Insured's legal representative. Until the Insured's legal representative is appointed, anyone having proper temporary custody of the Insured's property will have the Insured's rights and duties but only with respect to that property.
- Consolidation and Merger**
If, through consolidation or merger with, or purchase of assets of, some other concern, any persons shall become **Employees** or if the Insured shall thereby acquire the use and control of any additional **Premises**, the insurance afforded by this Policy shall also apply as respects such **Employees** and **Premises**, provided the Insured shall give the Insurer written notice thereof within 30 days thereafter and shall pay the Insurer an additional premium computed pro rata from the date of such consolidation, merger or purchase to the end of the

current premium period.

8. Examination of Books and Records

The Insurer may examine and audit the Insured's books and records as they relate to this Policy at any time during the Policy Period and up to 3 years after the expiration of this Policy. Any premium due for exposures that exist but were not reported will be determined by the Insurer's audit. The Insurer will compute such premiums in accordance with the Insurer's rules, rates and rating plans in effect as of the inception date of the Policy.

9. Inadvertent Non-Disclosure

The Insured's unintentional failure to tell the Insurer about all exposures existing on the effective date of this Policy for which coverage(s) may exist under this Policy shall not be a reason by itself for the Insurer to deny coverage under this insurance if prompt notice is given to the Insurer as soon as said failure becomes known to the Insured and additional premium, if any, is paid.

10. Inspections, Surveys and Audits

The Insurer has the right but is not obligated to:

- a. make inspections and surveys at any time;
- b. give the Insured reports on any conditions that the Insurer finds; and
- c. recommend changes.

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

- a. are safe or healthful; or
- b. comply with laws, regulations, codes or standards.

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

11. Joint Insured

- a. If more than one Insured is covered under this Policy, the first Named Insured shall act for itself and for every other Insured for all purposes of this Policy. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- b. Knowledge possessed or discovery of any information relevant to this insurance made by any Insured or by any partner or officer thereof shall be considered knowledge or discovery of every Insured.
- c. An **Employee** of any Insured is considered to be an **Employee** of every Insured.
- d. The Insurer will not pay more for loss sustained by more than one Insured than the amount the Insurer would pay if all the loss had been sustained by one Insured.

12. Liberalization

If we adopt any revision to the Terms and Conditions to this Comprehensive Commercial Property Insurance Policy that would broaden coverage and such revision does not require an additional premium or endorsement and the revision is adopted within forty-five (45) days prior to or during the **Policy Period**, the broadened coverage will apply to this property policy as of the date the revision is released.

13. No Benefit To Bailee

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

14. Notice To Authorities

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

15. Ownership of Covered Property

Unless otherwise specifically stated in the Policy, the Insurer shall not be liable for such damage to the covered property unless the Insured is the owner thereof or is liable for such damage thereto.

16. Pair and Set

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.

17. Parts

In the case of loss of or damage to any part of the covered 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.

18. Permission

Permission is hereby granted:

- a. for other insurance concurrent with this Policy;
- 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.

19. 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.

20. Property Protection Systems

It is agreed that the Insured shall notify forthwith the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any of the following systems installed at the Insured's **Premises**:

- 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 or non-renewal of any contract which provides monitoring or maintenance services to any of these systems or of the notification of the suspension of police service in response to any of these systems.

21. Reinstatement

Under Coverage A and Coverage B of this Policy, loss under any item shall not reduce the applicable Limit of Insurance.

22. Representations

By accepting this Policy, the Insured agrees:

- a. that the statements in the **Declarations** are accurate and complete;
- b. those statements are based upon representations the Insured made to the Insurer; and
- c. the Insurer has issued this Policy in reliance upon the Insured's representations.

23. Special Basis of Settlement

a. Tenant's Improvement: The liability of the Insurer shall be determined as follows:

- (1) if repaired or replaced with due diligence and dispatch, the amount actually and necessarily expended but in no event exceeding the **Replacement Cost** of the tenant's improvements immediately prior to the time of destruction or damage;
- (2) 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:

- (1) books of accounts, drawings, card index systems and other records, other than as described in (2) 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;
- (2) 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.

24. Subrogation

If any person or organization to or for whom the Insurer makes payment under any coverage of the Policy has rights to recover damages from another, then those rights are transferred to the Insurer to the extent of the Insurer's payment. That person or organization must do everything necessary to secure the Insurer's rights and must do nothing after the loss to impair them. The Insured may waive the Insured's rights against another party in writing only:

- a. prior to any known loss, claim, suit, accident or occurrence; or
- b. after a known loss, claim, accident or occurrence if the other party is someone insured by this Policy or a business firm owned or controlled by the Insured or which owns or controls the Insured.

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.

25. Sue And Labour

It is the duty of the Insured in the event that any property covered 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.

26. Valuations

For the purpose of calculating the total value of the property for 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 SECTION VI – GENERAL CONDITIONS, Clause 23. Special Basis of Settlement;
- e. on all other property covered under this Policy 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.

27. 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 covered property and to examine the Insured's books, records and such policies as relate to any property covered hereunder. Such inspection or examination shall not waive nor in any manner affect any of the terms or conditions of this Policy.

VII STATUTORY CONDITIONS

In the event that any loss or damage to property insured by this Policy occurs in a jurisdiction wherein the Statutory Conditions differ from those set out herein, the Statutory Conditions applicable in such jurisdiction shall apply to such loss or damage.

1. Action

Every action or proceeding against the Insurer for the recovery of a claim under or by virtue of this Policy shall be absolutely barred unless commenced within 1 year * after the loss or damage occurs.

* 2 years in the province of Manitoba, the Yukon Territory and Nunavut.

2. Appraisal

In the event of a disagreement as to the value of the property covered, 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 Policy whether the right to recover on the Policy is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand for an appraisal is made in writing and until after proof of loss has been delivered.

3. Cancellation

- a. The first Named Insured shown in the **Declarations** may cancel this Policy by mailing or delivering to the Insurer advance written notice of cancellation.
- b. The Insurer 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 the Insurer cancels for non-payment of premium; or
- (2) 30 days before the effective date of cancellation if the Insurer cancels for any other reason.

Except in Quebec, if notice is mailed, cancellation takes effect 15 or 30 days after receipt of the letter by the post office to which it is addressed, depending upon the reason for cancellation.

In Quebec, the Insurer's notice of cancellation takes effect either 15 or 30 days after receipt of the notice at the last known address of the first Named Insured, depending upon the reason for cancellation.

- c. The Insurer will mail or deliver the Insurer's notice to the first Named Insured's last mailing address known to the Insurer.
- d. The Policy Period will end on the effective date of cancellation.
- e. If this Policy is cancelled, the Insurer will send the first Named Insured any premium refund due. If the Insurer cancels, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata and is subject to the Minimum Retained Premium shown in the **Declarations** of this Policy. The cancellation will be effective even if the Insurer has not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Change of Interest

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

5. Entry, Control, Abandonment

After loss or damage to covered property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the Insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer shall not be entitled to the control or possession of the covered property, and without the consent of the Insurer there can be no abandonment to it of covered property.

6. Fraud

A fraud or a wilfully false statement in a statutory declaration in relation to the above particulars, shall vitiate the claim of the person making the declaration.

7. Material Change

A change material to the risk and within the control and knowledge of the Insured shall avoid the Policy as the part affected by it, unless the change is promptly notified in writing to the Insurer or its local agent; and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the Policy, or may notify the Insured in writing that, if the Insured desires the Policy to continue in force, the Insured shall, within 15 days of the receipt of the notice, pay to the Insurer an additional premium; and in default of such payment, the Policy shall no longer be in force and the Insurer shall return the unearned portion, if any, of the premium paid.

8. Misrepresentation

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

9. Notice

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

10. Property of Others

Unless otherwise specifically stated in the Policy, 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 Policy.

11. Replacement

- a. 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 30 days after receipt of the proofs of loss.
- b. In that event the Insurer shall start to repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall after that time proceed with all due diligence to the completion of the property.

12. Requirements After Loss

- a. Upon the occurrence of any loss of or damage to the covered property, the Insured shall, where that loss or damage is covered by the Policy, in addition to observing the requirements of Statutory Conditions 2, 5 and 13:
 - (1) give as soon as practicable notice of the loss or damage in writing to the Insurer;
 - (2) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration:
 - (a) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, **Actual Cash Value** or **Replacement Cost** (where applicable) and particulars of amount of loss claimed;
 - (b) stating when and how the loss occurred, and where caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes;
 - (c) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured;
 - (d) showing the amount of other insurance and the names of other insurers;
 - (e) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;
 - (f) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the Policy;
 - (g) showing the place where the property covered was at the time of the loss;
 - (3) where required, give a complete inventory of undamaged property and showing in detail quantities, costs, **Actual Cash Value** or **Replacement Cost** (where applicable);
 - (4) where required and where practicable, produce books of account, warehouse receipts and **Stock** lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of another policy.
- b. The evidence furnished under clauses (3) and (4) of sub-paragraph 12.a. of this condition shall not be considered proof of loss within the meaning of Statutory Conditions 14 and 11.

13. Salvage

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

14. When Loss Payable

The loss shall be payable within 60 days after completion of the proof of loss, unless the Policy provides for a shorter period.

15. 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 Policy 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 part of the insurance money is payable.

VIII STANDARD MORTGAGE CLAUSE

It Is Hereby Provided And Agreed That:

1. Breach of Conditions By Mortgagor Owner or Occupant

This insurance and every documented renewal thereof - AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN - is and 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 30 consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO HIS KNOWLEDGE; and that every increase of hazard (not permitted by the Policy) shall be paid for by the Mortgagee – on reasonable demand – from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.

2. Right of Subrogation

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

3. Other Insurance

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

4. Who May Give Proof of Loss

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

5. Termination

EXCLUDING PROVINCE OF QUEBEC - The term of this mortgage clause coincides with the term of the Policy;

PROVIDED ALWAYS that the Insurer reserves the right to cancel the Policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the Policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

PROVINCE OF QUEBEC - The term of this mortgage clause coincides with the term of the Policy;

PROVIDED ALWAYS that the Insurer reserves the right to cancel the Policy as provided by Articles 2477 and 2479 of the Civil Code of the Province of Quebec, but agrees that the Insurer will neither terminate nor alter the Policy to the prejudice of the Mortgagee without 15 days' notice to the Mortgagee by registered letter.

6. Foreclosure

Should title or ownership to said property become vested in the mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THIS MORTGAGE CLAUSE (and these shall supersede any Policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this Policy is made payable to the Mortgagee.



COMMERCIAL GENERAL LIABILITY POLICY

Throughout this Policy the words Insured and Named Insured mean any person or organization qualifying as such under SECTION II – WHO IS AN INSURED. The word Insurer refers to Trisura Guarantee Insurance Company.

Other words and phrases that appear in **bold type** have special meaning. Refer to SECTION V - DEFINITIONS.

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

SECTION I – COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. The Insurer 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. The Insurer will have the right and duty to defend the Insured against any **Action** seeking those **Compensatory Damages**. However, the Insurer will have no duty to defend the Insured against any **Action** seeking **Compensatory Damages** for **Bodily Injury** or **Property Damage** to which this insurance does not apply. The Insurer may, at the Insurer's sole discretion, investigate any **Occurrence** and settle any claim or **Action** that may result. But:

- (1) the amount the Insurer will pay for **Compensatory Damages** is limited as described in SECTION III – LIMITS OF INSURANCE and is subject to the Deductible Clause shown in SECTION III – LIMITS OF INSURANCE; and
- (2) the Insurer's right and duty to defend ends when the Insurer has 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.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D.

- b. This insurance applies to **Bodily Injury** and **Property Damage** only if:

- (1) the **Bodily Injury** or **Property Damage** is caused by an **Occurrence** that takes place in the **Coverage Territory**; and
- (2) the **Bodily Injury** or **Property Damage** occurs during the policy period; and
- (3) prior to the policy period, no Insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED or any **Employee** authorized by the Named Insured to give or receive notice of an **Occurrence**, claim or **Action**, knew or reasonably could have known that the **Bodily Injury** or **Property Damage** had occurred, in whole or in part. If such a listed Insured or authorized **Employee** knew, prior to the policy period, that the **Bodily Injury** or **Property Damage** occurred, then any continuation, change or resumption of such **Bodily Injury** or **Property Damage** during or after the policy period will be deemed to have been known prior to the policy period.

- c. **Bodily Injury** or **Property Damage** which occurs during the policy period and was not, prior to the policy period, known to have occurred by any Insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED or any **Employee** authorized by the Named Insured to give or receive notice of an **Occurrence**, claim or **Action**, includes any continuation, change or resumption of that **Bodily Injury** or **Property Damage** after the end of the policy period.

- d. **Bodily Injury** or **Property Damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED or any **Employee** authorized by the Named Insured to give or receive notice of an **Occurrence**, claim or **Action**:

- (1) reports all, or any part, of the **Bodily Injury** or **Property Damage** to the Insurer or any other Insurer;
- (2) receives a written or verbal demand or claim for **Compensatory Damages** because of the **Bodily Injury** or **Property Damage**; or

(3) becomes aware by any other means that **Bodily Injury** or **Property Damage** has occurred or has begun to occur.

- e. **Compensatory Damages** because of **Bodily Injury** include **Compensatory Damages** claimed by any person or organization for care, loss of services or death resulting at any time from the **Bodily Injury**.

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

Bodily Injury or **Property Damage** expected or intended from the standpoint of the Insured. This exclusion does not apply to **Bodily Injury** or **Property Damage** resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

Bodily Injury or **Property Damage** for which the Insured is obligated to pay **Compensatory Damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **Compensatory Damages**:

- (1) that the Insured would have in the absence of the contract or agreement; or
- (2) assumed in a contract or agreement that is an **Insured Contract**, provided the **Bodily Injury** or **Property Damage** occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an **Insured Contract**, reasonable legal fees and necessary litigation expenses incurred by or for a party other than an Insured are deemed to be **Compensatory Damages** because of **Bodily Injury** or **Property Damage**, provided:
 - (a) liability to such party for, or for the cost of, that party's defence has also been assumed in the same **Insured Contract**; and
 - (b) such legal fees and litigation expenses are for defence of that party against a civil or alternative dispute resolution proceeding in which **Compensatory Damages** are alleged to apply to this insurance.

c. Workers' Compensation and Similar Laws

Any obligation of the Insured under a workers' compensation, disability benefits or unemployment or employment compensation law(s) or any similar law(s).

d. Employer's Liability

Bodily Injury to:

- (1) an **Employee** arising out of and in the course of:
 - (a) employment by the Insured; or
 - (b) performing duties related to the conduct of the Insured's business; or
- (2) The spouse, common law partner, domestic partner, child, parent, brother or sister of that **Employee** as a consequence of Paragraph 2. d. (1).

This exclusion applies:

- (i) whether the Insured may be liable as an employer or in any other capacity; and
- (ii) to any obligation to share **Compensatory Damages** with or repay someone else who must pay **Compensatory Damages** because of the injury.

This exclusion does not apply to:

- (a) liability assumed by the Insured under an **Insured Contract**; or
- (b) a claim made or an **Action** brought by a Canadian resident **Employee** on whose behalf contributions are made by or required to be made by the Insured under the provisions of any Canadian provincial or territorial workers' compensation law, if cover or benefits have been denied by any Canadian Workers' Compensation Authority.

e. Aircraft or Watercraft

Bodily Injury or **Property Damage** arising directly or indirectly, in whole or in part, out of the ownership, maintenance, operation, use or entrustment to others by or on behalf of any Insured of:

- (1) any aircraft, air cushion vehicle or watercraft that is owned, operated by, rented or loaned to any Insured; or
- (2) any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.

Use noted above includes **Loading or Unloading**.

This exclusion applies even if the claims made against any Insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the **Occurrence** which caused the **Bodily Injury** or **Property Damage** involved the ownership, maintenance, use or entrustment to others of any aircraft, air cushion vehicle or watercraft.

This exclusion does not apply to:

- (1) a watercraft while ashore on premises the Named Insured owns or rents;
- (2) a watercraft that is:
 - (a) less than 8 metres long; and
 - (b) not being used to carry persons or property for a charge;
- (3) **Bodily Injury** to an **Employee** of the Named Insured on whose behalf contributions are made by or required to be made by the Insured under the provisions of any Canadian provincial or territorial workers' compensation law, if the **Bodily Injury** results from an **Occurrence** involving watercraft.

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

f. Automobile

Bodily Injury or **Property Damage** arising directly or indirectly, in whole or in part, out of the ownership, maintenance, use or entrustment to others of any **Automobile** owned, operated by, on behalf of, rented or loaned to any Insured.

This exclusion also applies to:

- (1) any motorized snow vehicle or its trailers; and
- (2) 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.

This exclusion applies even if the claims against any Insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the **Occurrence** which caused the **Bodily Injury** or **Property Damage** involved the ownership, maintenance, use or entrustment to others of any **Automobile** that is owned, operated by, on behalf of, rented or loaned to any Insured.

Use in this exclusion includes all operations and any **Loading or Unloading**.

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

This exclusion does not apply to:

- (1) **Bodily Injury** to an **Employee** of the Named Insured on whose behalf contributions are made by or required to be made by the Named Insured under the provisions of any Canadian provincial or territorial workers' compensation law.
- (2) **Bodily Injury** or **Property Damage** arising out of a defective condition in, or improper maintenance of, any **Automobile** that is owned by the Named Insured while leased to others for a period of 30 days or more provided the lessee is obligated under contract to ensure that the **Automobile** is insured.
- (3) **Bodily Injury** or **Property Damage** arising out of 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. This exception however does not apply when such equipment is mounted on or attached to any **Automobile** and such equipment is used for the purpose of **Loading or Unloading**.
- (4) **Bodily Injury** or **Property Damage** arising out of **Loading or Unloading** if such operations are precluded from coverage under the motor vehicle section of any provincial or territorial act or regulation.

g. Damage to Property

Property Damage to:

- (1) property that is owned or occupied by or rented to the Named Insured, including any costs or expenses incurred by the Named Insured, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) premises the Named Insured sells, gives away or abandons, if the **Property Damage** arises out of any part of those premises;
- (3) property loaned to the Named Insured;
- (4) tools or equipment used by the Named Insured or on the Named Insured's behalf in performing **The Named Insured's Work**;
- (5) property held by the Named Insured for sale or entrusted to the Named Insured for storage or safekeeping;
- (6) property being on premises that is owned or rented by the Named Insured for the purpose of having operations performed on such property by the Insured;
- (7) that particular part of real property on which the Named Insured or any contractors or subcontractors working directly or indirectly on the Named Insured's behalf are performing operations, if the **Property Damage** arises out of those operations; or
- (8) that particular part of any property that must be restored, repaired or replaced because **The Named Insured's Work** was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are **The Named Insured's Work** and were never occupied, rented or held for rental by the Insured.

Paragraphs (3), (5), (6), (7) and (8) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (7) and (8) of this exclusion does not apply to **Property Damage** included in the **Products-Completed Operations Hazard**.

h. Damage to The Named Insured's Product

Property Damage to **The Named Insured's Product** arising out of such product or any part of such product.

i. Damage to The Named Insured's Work

Property Damage to **The Named Insured's 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 the Named Insured's behalf by a subcontractor.

j. Damage to Impaired Property or Property Not Physically Injured

Property Damage to **Impaired Property** or property that has not been physically injured, arising out of:

- (1) a defect, deficiency, inadequacy or dangerous condition in **The Named Insured's Product** or **The Named Insured's Work**; or
- (2) a delay or failure by the Named Insured or anyone acting on the Named Insured's 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 **The Named Insured's Product** or **The Named Insured's Work** after it has been put to its intended use.

k. Recall of Products, Work or Impaired Property

Compensatory Damages claimed for any loss, cost or expense incurred by the Named Insured or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) **The Named Insured's Product**;
- (2) **The Named Insured's 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. Explosion, Vibration, Removal or Weakening of Support

Property Damage arising out of, in whole or in part:

- (1) the use of any explosives for blasting;
- (2) vibration from pile driving or caisson work; or
- (3) the removal or weakening of support of any property, building or land whether such support be natural or otherwise.

This exclusion does not apply to:

- (1) **Property Damage** arising out of work performed on behalf of the Named Insured by any contractor or subcontractor; or
- (2) **Property Damage** included within the **Products-Completed Operations Hazard**.

m. Electronic Data and Access or Disclosure of Confidential or Personal Information

Compensatory Damages arising out of:

- (1) the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **Electronic Data**; or
- (2) any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

n. Personal and Advertising Injury

Bodily Injury arising out of **Personal and Advertising Injury**.

o. Professional Services

Bodily Injury (other than **Incidental Medical Malpractice Injury**), or **Property Damage** due to the rendering of or failure to render by the Named Insured or on the Named Insured's behalf of any **Professional Services** for others, or any error or omission, malpractice or mistake in providing those services.

p. Abuse

- (1) Claims or **Actions** arising directly or indirectly, in whole or in part from any **Abuse** committed or alleged to have been committed by any Insured, including the transmission of disease arising out of any act of **Abuse**;
- (2) Claims or **Actions** based on the Named Insured's practices of **Employee** hiring, acceptance of **Volunteer Workers** or any supervision, investigation or retention of any person alleged to have committed **Abuse**; or
- (3) Claims or **Actions** alleging knowledge by an Insured of, or failure to report, the alleged **Abuse** to the appropriate authority(ies).

q. Employment Related Practices

Bodily Injury to:

- (1) a person arising out of any employment related act, omission, policy, practice, representation, or direction at such person occurring in whole or in part at any time including any:
 - (a) failure or refusal to advance, compensate, employ or promote;
 - (b) termination of that person's employment;
 - (c) policies, acts or omissions such as coercion, criticism, prosecution, retaliation, demotion, evaluation, reassignment, discipline, defamation, disparagement, harassment, segregation, humiliation or discrimination directed at that person;
 - (d) invasion or other violation of any right of privacy or publicity;
 - (e) breach of any implied or express covenant; or
 - (f) proceedings or actions under any Canadian federal, territorial, or provincial human rights code or under Title VII of the 1964 Civil Rights Act of the United States of America, including any amendments thereto; and

- (2) the spouse, common law partner, domestic partner, child, parent, brother or sister of that person as a consequence of any injury or damage to the person in respect of whom any of the employment-related practices described in Paragraphs (a), (b), (c), (d), (e) or (f) above are directed.

This exclusion applies:

- (1) whenever the Insured may be held liable as an employer or in any other capacity; and
(2) to any obligation to share **Compensatory Damages** with or repay someone else who must pay **Compensatory Damages** because of the injury.

r. Recording and Distribution of Material or Information in Violation of Law

Bodily Injury or Property Damage arising directly or indirectly out of any act or omission that violates or is alleged to violate:

- (1) any federal, provincial or territorial Consumer Protection Act, The Telephone Consumer Protection Act (TCPA), including any similar laws and any amendments thereto;
(2) any federal, provincial or territorial Canadian Anti-Spam Law or The CAN-SPAM Act of 2003, including any similar laws and any amendments thereto;
(3) any federal, provincial or territorial Credit Reporting Act or The Fair Credit Reporting Act (FCRA), including any similar laws and any amendments thereto;
(4) any other federal, provincial or territorial statute, ordinance, regulation, law, and any amendments made thereto, that address, prohibit or limit the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

s. Asbestos – see Common Exclusions.

t. Fungi or Spores – see Common Exclusions.

u. Lead – see Common Exclusions.

v. Nuclear Energy Liability – see Common Exclusions.

w. Pollution Liability – see Common Exclusions.

x. Silica – see Common Exclusions.

y. Terrorism – see Common Exclusions.

z. War Risks – see Common Exclusions.

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. The Insurer will pay those sums that the Insured becomes legally obligated to pay as **Compensatory Damages** because of **Personal and Advertising Injury** to which this insurance applies. The Insurer will have the right and duty to defend the Insured against any **Action** seeking those **Compensatory Damages**. However, the Insurer will have no duty to defend the Insured against any **Action** seeking **Compensatory Damages** for **Personal and Advertising Injury** to which this insurance does not apply. The Insurer may, at the Insurer's discretion, investigate any offence and settle any claim or **Action** that may result. But:

- (1) the amount the Insurer will pay for **Compensatory Damages** is limited as described in SECTION III – LIMITS OF INSURANCE; and
(2) the Insurer's right and duty to defend ends when the Insurer has 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.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D.

- b. This insurance applies to **Personal and Advertising Injury** caused by an offence arising out of the Named Insured's business but only if the offence was committed in the **Coverage Territory** during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation of Rights of Another

Personal and Advertising Injury caused by or at the direction of the Insured with the knowledge that the act would violate the rights of another and would inflict **Personal and Advertising Injury**.

b. Material Published With Knowledge of Falsity

Personal and Advertising Injury arising out of oral or written publication of material, if done by or at the direction of the Insured with knowledge of its falsity.

c. Material Published Prior to Policy Period

Personal and Advertising Injury arising out of oral or written publication of material whose first publication took place prior to the policy period.

d. Criminal Acts

Personal and Advertising Injury arising out of a criminal act which is committed by or at the direction of any Insured.

e. Contractual Liability

Personal and Advertising Injury for which the Insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for **Compensatory Damages** that the Insured would have in the absence of the contract or agreement.

f. Breach of Contract

Personal and Advertising Injury arising out of a breach of contract, except an implied contract to use another's advertising idea in the Named Insured's **Advertisement**.

g. Quality or Performance of Goods – Failure to Conform to Statements

Personal and Advertising Injury arising out of the failure of goods, products or services to conform to any statement of quality, use, warranty, durability, fitness or performance made in the Named Insured's **Advertisement**.

h. Wrong Description of Prices

Personal and Advertising Injury arising out of the wrong description of the price of goods, products or services stated in the Named Insured's **Advertisement**,

i. Infringement of Copyright, Patent, Trademark or Trade Secret

Personal and Advertising Injury arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in the Named Insured's **Advertisement**, of copyright, trade dress or slogan.

j. Insureds in Media and Internet Type Businesses

Personal and Advertising Injury committed by an Insured whose business is:

- (1) advertising, broadcasting, publishing or telecasting;
- (2) designing or determining content of web-sites for others; or
- (3) an Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 24. a., b. and c. of **Personal and Advertising Injury** under SECTION V - DEFINITIONS.

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

k. Unauthorized Use of Another's Name or Product

Personal and Advertising Injury arising out of the unauthorized use of another's name or product in the Named Insured's e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

l. Interactive Websites, Electronic Chatrooms, Interactive Forums or Bulletin Boards

Personal and Advertising Injury arising out of an electronic interactive website, chatroom, interactive forum or bulletin board the Insured hosts, owns, or over which the Insured exercises any control.

m. Employment-Related Practices

Personal and Advertising Injury to:

- (1) a person arising out of any employment related act, omission, policy, practice, representation, or direction at such person occurring in whole or in part at any time including any:
 - (a) failure or refusal to advance, compensate, employ or promote;
 - (b) termination of that person's employment;
 - (c) policies, acts or omissions such as coercion, criticism, prosecution, retaliation, demotion, evaluation, reassignment, discipline, defamation, disparagement, harassment, segregation, humiliation or discrimination directed at that person;
 - (d) invasion or other violation of any right of privacy or publicity;
 - (e) breach of any implied or express covenant; or
 - (f) proceedings or actions under any Canadian federal, territorial, or provincial human rights code or under Title VII of the 1964 Civil Rights Act of the United States of America, including any amendments thereto; and
- (2) the spouse, common law partner, domestic partner, child, parent, brother or sister of that person as a consequence of any injury or damage to the person in respect of whom any of the employment-related practices described in Paragraphs (a), (b), (c), (d), (e) or (f) above are directed.

This exclusion applies:

- (1) whenever the Insured may be held liable as an employer or in any other capacity; and
- (2) to any obligation to share **Compensatory Damages** with or repay someone else who must pay **Compensatory Damages** because of the injury.

n. Recording and Distribution of Material or Information in Violation of Law

Personal and Advertising Injury arising directly or indirectly out of any act or omission that violates or is alleged to violate:

- (1) any federal, provincial or territorial Consumer Protection Act, The Telephone Consumer Protection Act (TCPA), including any similar laws and any amendments thereto;
- (2) any federal, provincial or territorial Canadian Anti-Spam Law or The CAN-SPAM Act of 2003, including any similar laws and any amendments thereto;
- (3) any federal, provincial or territorial Credit Reporting Act or The Fair Credit Reporting Act (FCRA), including any similar laws and any amendments thereto;
- (4) any other federal, provincial or territorial statute, ordinance, regulation, law, and any amendments made thereto, that address, prohibit or limit the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

o. Data-Related Liability and Access or Disclosure of Confidential or Personal Information

Personal and Advertising Injury arising out of any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information.

p. Asbestos – see Common Exclusions.

q. Fungi or Spores – see Common Exclusions.

- r. Lead – see Common Exclusions.
- s. Nuclear Energy Liability – see Common Exclusions.
- t. Pollution Liability – see Common Exclusions.
- u. Silica – see Common Exclusions.
- v. Terrorism – see Common Exclusions.
- w. War Risks – see Common Exclusions.

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement

- a. The Insurer will pay medical expenses as described below for **Bodily Injury** caused by an accident:
 - (1) on premises the Named Insured owns or rents;
 - (2) on ways next to premises the Named Insured owns or rents; or
 - (3) because of the Named Insured's operations;provided that:
 - (1) the accident takes place in the **Coverage Territory** and during the policy period;
 - (2) the expenses are incurred and reported to the **Insurer** within one (1) year of the date of the accident; and
 - (3) the injured person submits to examination, at the Insurer's expense, by physicians of the Insurer's choice as often as the Insurer reasonably requires.
- b. The Insurer will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance as described in SECTION III – LIMITS OF INSURANCE. The Insurer will pay reasonable expenses for:
 - (1) first aid administered at the time of an accident;
 - (2) necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

The Insurer will not pay expenses for **Bodily Injury**:

- a. Any Insured
To any Insured, except **Volunteer Workers**.
- b. Hired Person
To a person hired to do work for or on behalf of any Insured or a tenant of any Insured.
- c. Injury on Normally Occupied Premises
To a person injured on that part of premises the Named Insured owns or rents that the person normally occupies.
- d. Workers' Compensation and Similar Laws
To a person, whether or not an **Employee** of any Insured, if benefits for the **Bodily Injury** are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. Athletics Activities
To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included within the **Products-Completed Operations Hazard**.

g. Coverage A Exclusions

Excluded under COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY.

COVERAGE D. TENANTS' LEGAL LIABILITY

1. Insuring Agreement

- a. The Insurer will pay those sums that the Insured becomes legally obligated to pay as **Compensatory Damages** because of **Property Damage** to which this insurance applies. This insurance applies only to **Property Damage** to premises of others rented to the Named Insured or occupied by the Named Insured. The Insurer will have the right and duty to defend the Insured against any **Action** seeking those **Compensatory Damages**. However, the Insurer will have no duty to defend the Insured against any **Action** seeking **Compensatory Damages** for **Property Damage** to which this insurance does not apply. The Insurer may, at the Insurer's discretion, investigate any **Occurrence** and settle any claim or **Action** that may result. But:

- (1) the amount the Insurer will pay for **Compensatory Damages** is limited as described in SECTION III – LIMITS OF INSURANCE and is subject to the Deductible Clause shown in SECTION III – LIMITS OF INSURANCE; and
- (2) the Insurer's right and duty to defend ends when the Insurer has 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.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D.

- b. This insurance applies to **Property Damage** only if:

- (1) the **Property Damage** is caused by an **Occurrence** that takes place in the **Coverage Territory**;
- (2) the **Property Damage** occurs during the policy period; and
- (3) prior to the policy period, no Insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED or any **Employee** authorized by the Named Insured to give or receive notice of an **Occurrence** or claim, knew that the **Property Damage** had occurred, in whole or in part. If such a listed Insured or authorized **Employee** knew, prior to the policy period, that the **Property Damage** occurred, then any continuation, change or resumption of such **Property Damage** during or after the policy period will be deemed to have been known prior to the policy period.

- c. **Property Damage** which occurs during the policy period and was not, prior to the policy period, known to have occurred by any Insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED or any **Employee** authorized by the Named Insured to give or receive notice of an **Occurrence** or claim, includes any continuation, change or resumption of that **Property Damage** after the end of the policy period.

- d. **Property Damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED or any **Employee** authorized by the Named Insured to give or receive notice of an **Occurrence** or claim:

- (1) reports all, or any part, of the **Property Damage** to the Insurer or any other insurer;
- (2) receives a written or verbal demand or claim for **Compensatory Damages** because of the **Property Damage**; or
- (3) becomes aware by any other means that **Property Damage** has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

Property Damage expected or intended from the standpoint of any Insured.

b. Contractual Liability

Property Damage for which the Insured is obligated to pay **Compensatory Damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **Compensatory Damages** that the Insured would have in the absence of the contract or agreement.

c. Wear and Tear

Property Damage for wear and tear, gradual deterioration, normal up-keep, sudden or latent defect or inherent vice.

d. Faulty Workmanship, Design and Material

Property Damage for the cost for making good:

- (1) faulty or improper material(s);
- (2) faulty or improper workmanship; or
- (3) faulty or improper design.

Provided, however, to the extent otherwise insured and not otherwise excluded under this Policy, resultant **Property Damage** is insured.

e. Asbestos – see Common Exclusions.

f. Fungi or Spores – see Common Exclusions.

g. Lead – see Common Exclusions.

h. Nuclear Energy Liability – see Common Exclusions.

i. Pollution Liability – see Common Exclusions.

j. Silica – see Common Exclusions.

k. Terrorism – see Common Exclusions.

l. War Risks – see Common Exclusions.

COMMON EXCLUSIONS – COVERAGES A, B, C and D

This insurance does not apply to:

1. Asbestos

Bodily Injury, Property Damage, or Personal and Advertising Injury related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **Bodily Injury, Property Damage or Personal and Advertising Injury**.

2. Fungi or Spores

- a. **Bodily Injury, Property Damage or Personal and Advertising Injury** or any other cost, loss or expense incurred by others, arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any **Fungi** or **Spores** however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of **Fungi** or **Spores**;
- b. any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or

- c. any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a. or b. above.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **Bodily Injury, Property Damage or Personal and Advertising Injury**.

For the purpose of the following exception:

- (i) **Property Damage** means physical injury to animals.
- (ii) **Products-Completed Operations Hazard** means all **Bodily Injury or Property Damage** that arises out of **The Named Insured's Product** provided the **Bodily Injury or Property Damage** occurs after the Named Insured has relinquished physical possession **The Named Insured's Product**.

This exclusion does not apply to **Bodily Injury or Property Damage** included in the **Products-Completed Operations Hazard** arising directly or indirectly from **Fungi or Spores** that are found in or on, or are, "**The Named Insured's Product**", and the Named Insured intends **The Named Insured's Product** to be:

- (1) applied topically to; or
 - (2) ingested by;
- humans or animals.

3. Lead

Bodily Injury, Property Damage, or Personal and Advertising Injury or medical expenses related or attributed to, arising out of, in whole or in part either directly or indirectly caused by the ingestion, use, mining, distribution, handling, sale, abatement, enclosure, exposure or removal, inhalation or absorption of **Lead** or **Lead** based products in any form.

This exclusion applies to any costs, including any Supplementary Payments, loss or expenses arising out of the presence, ingestion, inhalation, or absorption of or exposure to **Lead** in any form or any products containing **Lead**. The Insurer has no duty to defend the Insured or investigate any **Action**, claim or **Occurrence** which may arise.

This exclusion applies, but is not limited to:

- a. any liability assumed by the Insured under any written or oral contract or agreement;
- b. any obligation to pay or comply with any request, demand, order or statutory or regulatory requirement, or any other action authorized or required by law, or any loss cost or expense arising out of or relating to the investigation of, abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediation or disposing of, or responding to or assessing the effects of **Lead** as well as any cost, fees, expenses, penalties, judgements, fines or sanctions arising from or relating thereto;
- c. any actual, alleged, or threatened exposure to, consumption of, ingestion of, inhalation of, absorption of, existence of or presence of **Lead** in any manner or form whatsoever, either directly or indirectly or in whole or in part;
- d. any actual or alleged failure to advise, warn or instruct related to any **Lead** in any manner or form whatsoever, either indirectly or indirectly or in whole or in part; and
- e. any actual or alleged presence of **Lead** in any manner or form whatsoever, in any place whatsoever including, but not limited to, within a building, product, building component or building structure including any contents.

4. Nuclear Energy Liability

- a. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;
- b. **Bodily Injury, Property Damage or Personal and Advertising Injury** with respect to which an Insured under this Policy who 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 limits of insurance;
- c. **Bodily Injury, Property Damage or Personal and Advertising Injury** resulting directly or indirectly from the **Nuclear Energy Hazard** arising from:
 - (1) the ownership, maintenance, operation or use of a **Nuclear Facility** by or on behalf of an Insured;
 - (2) the furnishing by an **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **Nuclear Facility**; or

- (3) the possession, consumption, use, handling, disposal or transportation of **Fissionable Substances**, or of other **Radioactive Material** (except radioactive isotopes, away from a **Nuclear Facility**, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

This exclusion also applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **Bodily Injury, Property Damage or Personal and Advertising Injury**.

5. Pollution Liability

- a. **Bodily Injury, Property Damage or Personal and Advertising Injury** arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **Pollutants**:

- (1) which occurred prior to the policy period shown in the Declarations;
- (2) at, or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any Insured. However, this subparagraph does not apply to:
 - (a) **Bodily Injury** if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (b) **Bodily Injury or Property Damage** for which the Named Insured may be held liable, if the Named Insured is a contractor and the owner or lessee of such premises, site or location has been added to the Named Insured's policy as an additional insured with respect to the Named Insured's ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **Insured**, other than that additional insured; or
 - (c) **Bodily Injury or Property Damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight, a **Hostile Fire**;
- (3) at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, disposal, processing or treatment of waste;
- (4) which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (a) any Insured or;
 - (b) any person or organization for whom the Insured may be legally responsible; or
- (5) at or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the **Pollutants** are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (a) **Bodily Injury or Property Damage** arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of Mobile Equipment or its parts, if such fuels, lubricants or other operating fluids escape from a permanent and integral mobile equipment part designed to hold, store or receive them. This exception does not apply if the **Bodily Injury or Property Damage** arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (b) **Bodily Injury or Property Damage** sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by the Named Insured or on the Named Insured's behalf by a contractor or subcontractor; or
 - (c) **Bodily Injury or Property Damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight, a **Hostile Fire**.
- (6) at or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **Pollutants**;
- (7) to the extent that any **Bodily Injury or Property Damage** is included in the **Products-Completed Operations Hazard**.

- b. Any fines or penalties assessed against or imposed upon any **Insured** arising out of the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **Pollutants**.
- c. Any loss, cost or expense arising out of any:
 - (1) request, demand, order or statutory or regulatory requirement, or any other action authorized or required by law, that any Insured or others investigate, test for, monitor, clean up, remove, dispose of, contain, treat, abate, remediate, detoxify or neutralize, or in any way respond to, or assess the effects of **Pollutants**; or
 - (2) claim or **Action** by or on behalf of a governmental authority for **Compensatory Damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **Pollutants**.

However, this section c. does not apply to liability for **Compensatory Damages** because of **Property Damage** that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or **Action** by or on behalf of a governmental authority.

6. Silica

Bodily Injury, Property Damage, or Personal and Advertising Injury or medical expenses that arise out of, relate to or result from:

- a. the actual, alleged or threatened exposure to, consumption of, ingestion of, inhalation of or absorption of, **Silica**, either directly or indirectly;
- b. the actual, alleged or threatened exposure to, consumption of, ingestion of, inhalation of, absorption of, existence of or presence of **Silica Dust** either directly or indirectly;
- c. the actual or alleged failure to warn, advise or instruct related to **Silica** in any manner or form whatsoever; or
- d. the actual or alleged failure to prevent exposure to **Silica**.

This exclusion includes but is not limited to compliance with any request, demand, order, or statutory or regulatory requirement, or any other action authorized or required by law, or any other claim, **Action**, demand, loss, cost or expense directly or indirectly arising out of, relating to or resulting from the investigation of, abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediation or disposing of, or in any way responding to, or assessing the effects of **Silica**, as well as any costs, fees, expenses, penalties, judgments, fines, or sanctions arising or resulting therefrom or relating thereto.

This exclusion also applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **Bodily Injury, Property Damage or Personal and Advertising Injury**.

7. Terrorism

Bodily Injury, Property Damage or Personal and Advertising Injury arising directly or indirectly, in whole or in part, out of **Terrorism** or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate **Terrorism**.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **Bodily Injury, Property Damage or Personal and Advertising Injury**.

8. War Risks

Bodily Injury, Property Damage or Personal and Advertising Injury arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **Bodily Injury, Property Damage or Personal and Advertising Injury**.

SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D

- 1. The Insurer will pay, with respect to any claim the Insurer investigates or settles, or any **Action** against an Insured that the Insurer defends:
 - a. All expenses the Insurer incurs.
 - b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. The Insurer does not have to furnish these bonds.

- c. All reasonable expenses incurred by the Insured at the Insurer's request to assist in the investigation or defence of the claim or **Action**, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All costs assessed or awarded against the Named Insured in the **Action**.
- e. Any interest accruing after the entry of judgment upon that part of the judgment which is within the applicable limit of insurance and before the Insurer has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If the Insurer defends an Insured against an **Action** and an indemnitee of the Insured is also named as a party to the **Action**, the Insurer will defend that indemnitee if all of the following conditions are met:
 - a. the **Action** against the indemnitee seeks **Compensatory Damages** for which the Insured has assumed the liability of the indemnitee in a contract or agreement that is an **Insured Contract**;
 - b. this insurance applies to such liability assumed by the Insured;
 - c. the obligation to defend, or the cost of the defence of, that indemnitee, has also been assumed by the Insured in the same **Insured Contract**;
 - d. the allegations in the **Action** and the information the Insurer knows about the **Occurrence** are such that no conflict appears to exist between the interests of the Insured and the interests of the indemnitee;
 - e. the indemnitee and the Insured ask the Insurer to conduct and control the defence of that indemnitee against such **Action** and agree that the Insurer can assign the same counsel to defend the Insured and the indemnitee; and
 - f. the indemnitee:
 - (1) agrees in writing to:
 - (a) cooperate with the Insurer in the investigation, settlement or defence of the **Action**;
 - (b) immediately send the Insurer copies of any demands, notices, summonses or legal papers received in connection with the **Action**;
 - (c) notify any other insurer whose coverage is available to the indemnitee; and
 - (d) cooperate with the Insurer with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) provides the Insurer with written authorization to:
 - (a) obtain records and other information related to the **Action**; and
 - (b) conduct and control the defence of the indemnitee in such **Action**.

So long as the above conditions are met, legal fees incurred by the Insurer in the defence of that indemnitee, necessary litigation expenses incurred by the Insurer and necessary litigation expenses incurred by the indemnitee at the Insurer's request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b. (2) of SECTION 1 – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, such payments will not be deemed to be **Compensatory Damage** for **Bodily Injury** and **Property Damage** and will not reduce the limits of insurance.

The Insurer's obligation to defend an Insured's indemnitee and to pay for legal fees and necessary litigation expenses as Supplementary Payments ends when:

- a. the Insurer has used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

- 1. If the Named Insured listed in the Declarations is:
 - a. an individual, the Named Insured and the Named Insured's spouse are Insureds, but only with respect to the conduct of a business of which the Named Insured is the sole owner.
 - b. a partnership, limited liability partnership or joint venture, the Named Insured is an Insured. The Named Insured's members, the Named Insured's partners, and their spouses are also Insureds, but only with respect to the conduct of the Named Insured's business.
 - c. a limited liability company, the Named Insured is an Insured. The Named Insured's members are also Insureds, but only with respect to the conduct of the Named Insured's business. The Named Insured's managers are Insureds, but only with respect to their duties as the Named Insured's managers.

- d. an organization other than a partnership, limited liability partnership, joint venture or limited liability company, the Named Insured is an Insured. The Named Insured's **Executive Officers** and directors are Insureds, but only with respect to their duties as the Named Insured's officers or directors. The Named Insured's shareholders are also Insureds, but only with respect to their liability as shareholders.
 - e. a trust, the Named Insured is an insured. The Named Insured's trustees are also Insureds, but only with respect to their duties as trustees.
2. Each of the following is also an Insured:
- a. the Named Insured's **Volunteer Workers** only while performing duties related to the conduct of the Named Insured's business, or the Named Insured's **Employees**, other than either the Named Insured's **Executive Officers** (if the Named Insured is an organization other than a partnership, limited liability partnership, joint venture or limited liability company) or the Named Insured's managers (if the Named Insured is a limited liability company), but only for acts within the scope of their employment by the Named Insured or while performing duties related to the conduct of the Named Insured's business.
- However, none of these **Employees** or **Volunteer Workers** is an Insured for:
- (1) **Bodily Injury or Personal and Advertising Injury:**
- (a) to the Named Insured, to the Named Insured's partners or members (if the Named Insured is a partnership, limited liability partnership or joint venture), to the Named Insured's members (if the Named Insured is a limited liability company) the Named Insured's trustees and **Executive officers**;
 - (b) to a co-**Employee** while in the course of his or her employment or performing duties related to the conduct of the Named Insured's business, or to the Named Insured's other **Volunteer Worker(s)** while performing duties related to the conduct of the Named Insured's business;
 - (c) to the spouse, common law partner, domestic partner, child, parent, brother or sister of any **Employee**, co-**Employee** or **Volunteer Worker** as a consequence of Paragraph (1)(a) above;
 - (d) for which there is any obligation to share **Compensatory Damages** with or repay someone else who must pay **Compensatory Damages** because of the injury described in Paragraphs (1)(a) or (b) above;
 - (e) to any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or similar law; or
 - (f) arising out of his or her providing or failing to provide professional health care services.
- (2) **Property Damage** to property that is:
- (a) owned, occupied or used by; or
 - (b) rented to, loaned to, in the care, custody or control of, or over which physical control is being exercised for any purpose by:
 - (i) the Named Insured;
 - (ii) any of the Named Insured's **Employees, Volunteer Workers**;
 - (iii) any partner or member (if the Named Insured is a partnership, limited liability partnership or joint venture);
 - (iv) the Named Insured's trustees and **Executive Officers**; or
 - (v) any manager (if the Named Insured is a limited liability company).
 - b. Any person (other than the Named Insured's **Employee** or **Volunteer Worker**), or any organization while acting as the Named Insured's real estate manager.
 - c. Any person or organization having proper temporary custody of the Named Insured's property if the Named Insured dies, but only:
 - (1) with respect to liability arising out of the maintenance or use of that property; and
 - (2) until the Named Insured's legal representative has been appointed.
 - d. The Named Insured's legal representative if the Named Insured dies, but only with respect to such duties. That representative will have all of the Named Insured's rights and duties under this Policy.
 - e. The Named Insured's unit or strata lot owners and any tenants, but only with respect to the conduct of the corporation for liability arising out of the common property, excluding liability arising out of the owner's or tenant's possession, occupation or use of property designated for exclusive use.
3. Any organization the Named Insured newly acquires or forms, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which the Named Insured maintains ownership

or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. coverage under this provision is afforded only until the ninetieth (90th) day after the Named Insured acquires or forms the organization or the end of the policy period, whichever is earlier;
 - b. COVERAGES A and D do not apply to **Bodily Injury** or **Property Damage** that occurred before the Named Insured acquired or formed the organization; and
 - c. COVERAGE B does not apply to **Personal and Advertising Injury** arising out of an offence committed before the Named Insured acquired or formed the organization.
4. No person or organization is an Insured with respect to the conduct of any current or past partnership, limited liability partnership, joint venture, trust or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most the Insurer will pay regardless of the number of:
 - a. Insureds;
 - b. claims made or **Actions** brought; or
 - c. persons or organizations making claims or bringing **Actions**.
2. The General Aggregate Limit, as shown in the Declarations, is the most the Insurer will pay for the sum of:
 - a. **Compensatory Damages** under COVERAGE A, except **Compensatory Damages** because of **Bodily Injury** or **Property Damage** included in the **Products-Completed Operations Hazard**;
 - b. **Compensatory Damages** under COVERAGE B; and
 - c. medical expenses under COVERAGE C.
3. The Products-Completed Operations Aggregate Limit, as shown in the Declarations, is the most the Insurer will pay under COVERAGE A for **Compensatory Damages** because of **Bodily Injury** and **Property Damage** included in the **Products-Completed Operations Hazard**.
4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit, as shown in the Declarations, is the most the Insurer will pay under COVERAGE B for the sum of all **Compensatory Damages** because of all **Personal and Advertising Injury** sustained by any one person or organization.
5. Subject to Paragraphs 2. or 3. above, whichever applies, the Each Occurrence Limit, as shown in the Declarations is the most the Insurer will pay for the sum of:
 - a. **Compensatory Damages** under COVERAGE A; and
 - b. medical expenses under COVERAGE Cbecause of all **Bodily Injury** and **Property Damage** arising out of any one **Occurrence**. Any sums the Insurer pays will reduce the amount of applicable aggregate limit available for any other payment.
6. The Tenants' Legal Liability Limit, as shown in the Declarations, is the most the Insurer will pay under COVERAGE D for **Compensatory Damages** because of **Property Damage** to any one premises.
7. Subject to Paragraph 5. above, the Medical Payments Limit, as shown in the Declarations, is the most the Insurer will pay under COVERAGE C for all medical expenses because of **Bodily Injury** sustained by any one person.

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

8. Deductible

- a. The Insurer's obligation under Property Damage Liability, Bodily Injury Liability and Tenants' Legal Liability to pay **Compensatory Damages** on behalf of the Named Insured applies only to the amount of

Compensatory Damages in excess of any deductible amounts stated in the Declarations as applicable to such coverages, and the limit of insurance applicable to each **Occurrence** for Property Damage Liability, Bodily Injury Liability and any one premises for Tenants' Legal Liability coverage will be reduced by the amount of such deductible.

- b. The deductible amounts stated in the Declarations apply as follows:
 - (1) under COVERAGE A: to all **Compensatory Damages** because of **Bodily Injury** and **Property Damage** as the result of any one **Occurrence**, regardless of the number of persons or organizations who sustain **Compensatory Damages** because of that **Occurrence**.
 - (2) under COVERAGE D, Tenants' Legal Liability to all **Compensatory Damages** because of **Property Damage** as the result of any one **Occurrence**, regardless of the number of persons or organizations who sustain **Compensatory Damages** because of that **Occurrence**.
- c. The terms of this insurance, including those in respect to:
 - (1) the Insurer's right and duty to defend any **Action** seeking those **Compensatory Damages**; and
 - (2) the Named Insured's duties in the event of an **Occurrence**, claim or **Action**;apply irrespective of the application of the deductible amount.
- d. The Insurer may pay any part or all of the deductible amount to effect settlement of any claim or **Action** and, upon notification of the action taken, the Named Insured shall promptly reimburse the Insurer for such part of the deductible amount as has been paid by the Insurer.

All damages arising out of one lot of goods or products prepared or acquired by the Named Insured, the Named Insured's **Employees** or by another trading under the Named Insured's name, shall be considered as arising out of one **Occurrence** as regards to **Bodily Injury** and **Property Damage**.

The Insurer may pay all or part of the applicable deductible amount to effect settlement of any claim or **Action** and, upon notification of the action taken, the Named Insured shall promptly reimburse the Insurer for such part of the deductible amount as has been paid by the Insurer. The Named Insured's duties in the event of a claim or **Action** apply irrespective of the application of the deductible amount.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve the Insurer of the Insurer's 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. Changes

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

4. Duties in the Event of Occurrence, Offence, Claim or Action

- a. The Named Insured must see to it that the Insurer is notified as soon as practicable of an **Occurrence** or an offence, regardless of the amount, which may result in a claim. To the extent possible, notice should include:
 - (1) how, when and where the **Occurrence** or offence took place;
 - (2) the names and addresses of any injured persons and witnesses; and
 - (3) the nature and location of any injury or damage arising out of the **Occurrence** or offence.Notice of an **Occurrence** or an offence is not notice of a claim or **Action**.
- b. If a claim is made or **Action** is brought against any Insured, the Named Insured must:
 - (1) immediately record the specifics of the claim or **Action** and the date received; and
 - (2) notify the Insurer as soon as practicable.

The Insured must see to it that the Insurer receive written notice of the claim or **Action** as soon as practicable.

Any notice shall be deemed to have been given and received on the day and at the time it is so received by the Insurer at the following address:

Casualty Claims Department
Trisura Guarantee Insurance Company
333 Bay Street, Suite 1610, Box 22
Toronto, Ontario M5H 2R2

Fax: (416) 214-9597
Email: claims@trisura.com

c. The Named Insured and any other involved Insured must:

- (1) immediately send the Insurer copies of any demands, notices, summonses or any legal papers received in connection with the claim or **Action**;
- (2) authorize the Insurer to obtain records and other information;
- (3) cooperate with the Insurer in the investigation or settlement of the claim or defence against the **Action**; and
- (4) assist the Insurer, upon the Insurer's request, in the enforcement of any right against any person or organization which may be liable to any insured because of injury or damage to which this insurance may also apply.

d. No Insured will, except solely at that Insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Insurer's consent.

5. Examination of the Named Insured's Books and Records

The Insurer may examine and audit the Named Insured's books and records as they relate to this Policy at any time during the policy period and up to three (3) years afterward.

6. Governing Law and Service of Action

This Policy shall be construed according to the laws of the province or territory in Canada in which the Named Insured has its head office.

In the event of the failure by the Insurer to pay any amount claimed to be due under this Policy or any dispute whatsoever between any Insured and the Insurer relating to, arising from or involving this Policy (including but not limited to, the interpretation or meaning of any defined or undefined terms or any other issue(s) of interpretation impacting either the nature or scope of coverage provided by this Policy), it is hereby agreed and understood that both the Insurer and all Insureds irrevocably submit and attorn to the jurisdiction of the provincial or territorial superior court in Canada where either the Named Insured has its head office as listed in the Declarations or where the Insurer has its head office in Canada.

Nothing in this condition constitutes or should be understood to constitute a waiver of the Insurer's right to commence a proceeding in any provincial or territorial superior court in Canada or to seek the stay or dismissal of any proceeding against the Insurer to have the issues in that proceeding determined in a different provincial or territorial superior court in Canada.

Further, no objection as to applicable law, forum or jurisdiction shall be raised by any Insured regardless of where an **Occurrence** takes place, where the resulting **Bodily Injury**, **Property Damage** or **Personal and Advertising Injury** is sustained or where the **Action** is commenced against any Insured.

Service of process in any **Action** may be made upon the Insurer's Chief Executive Officer in Canada at the Insurer's address specified in Paragraph 10 of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS of this Policy.

7. Inspection

a. The Insurer has the right to:

- (1) make inspections and surveys at any time;
- (2) give the Named Insured reports on the conditions the Insurer finds; and
- (3) recommend changes.

- b. The Insurer is not obligated to make any inspections, surveys, reports or recommendations and any such actions the Insurer does undertake relate only to insurability and the premiums to be charged. The Insurer does not make safety inspections. The Insurer does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. The Insurer does not warrant that conditions:
 - (1) are safe or healthful; or
 - (2) comply with any laws, regulations, codes or standards.
- c. Paragraphs a. and b. of this condition apply not only to the Insurer, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

8. Legal Action Against the Insurer

No person or organization has a right under this Policy:

- a. To join the Insurer as a party or otherwise bring the Insurer into an **Action** asking for **Compensatory Damages** from an Insured; or
- b. To sue the Insurer on this Policy unless all of its terms have been fully complied with.

A person or organization may sue the Insurer to recover on an agreed settlement or on a final judgment against any Insured; but the Insurer 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 the Insurer, the Named Insured and the claimant or the claimant's legal representative.

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

9. Named Insureds and Premiums

- a. The first Named Insured shown in the Declarations:
 - (1) is responsible for all premiums due;
 - (2) is authorized to act on behalf of all persons or organizations insured under this Policy with respect to all matters pertaining to their insurance afforded by this Policy; and
 - (3) will be the payee for any return premiums the Insurer pays;
- b. Each Named Insured is jointly and severally liable for:
 - (1) all premiums due under this Policy;
 - (2) all obligations that arise due to any deductible or reimbursement amounts (as may be applicable) including any claim expenses; and
 - (3) any other financial obligations of any Named Insured to the Insurer arising out of any agreements contained in this Policy.

10. Notices

All notices, other than notice of occurrence, offence, claim or **Action**, shall be given in writing addressed to:

Casualty Solutions Department
Trisura Guarantee Insurance Company
333 Bay Street, Suite 1610, Box 22
Toronto, Ontario M5H 2R2
Fax: (416) 214-9597

11. Other Insurance

If other valid and collectible insurance is available to the Named Insured for a loss the Insurer covers under COVERAGES A, B or D of this Policy, the Insurer's obligations are limited as follows:

- a. Primary Insurance

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

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) that is Property Insurance, including but not limited to Fire, Extended Coverage, Builder's Risk, Installation Floater or similar coverage for **The Named Insured's Work**;
 - (b) that is Fire Insurance for premises rented to the Named Insured or temporarily occupied by the Named Insured with permission of the owner;
 - (c) if the loss arises out of the maintenance or use of aircraft, **Automobiles** or watercraft to the extent not subject to Exclusions e. or f. of SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY; or
 - (d) that is Professional or Medical Malpractice insurance.
- (2) Any other primary insurance available to the Named Insured covering liability for **Compensatory Damages** arising out of the premises or operations or products-completed operations for which the Named Insured has been added as an additional insured by attachment of an endorsement.

When this insurance is excess, the Insurer will have no duty under COVERAGES A, B or D to defend the Insured against any **Action** if any other insurer has a duty to defend the Insured against that **Action**. If no other insurer defends, the Insurer will undertake to do so, but the Insurer will be entitled to the Insured's rights against all those other insurers.

When this insurance is excess over other insurance, the Insurer will pay only the Insurer's 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.

The Insurer 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, the Insurer will follow this method also. Under this approach each insurer contributes equal amounts until each insurer 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, the Insurer 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.

12. Premium Adjustment

- a. The Insurer will compute all premiums for this Policy in accordance with the Insurer's rules and rates.
- b. Premium shown in this Policy as advance premium is considered a deposit premium only. At the end of each policy period the Insurer will compute the earned premium for that period, if such earned premium is greater than the liability premium initially charged, the first Named Insured shall pay the excess to the Insurer. If, however the earned premium is less than the liability premium initially charged, the Insurer will return the excess to the first Named Insured subject to the minimum retained premium shown in the Declarations.
- c. The first Named Insured in the Declarations must keep records of the information the Insurer needs for premium computation, and send the Insurer copies at such times as the Insurer may request.

13. Representations or Fraud

By accepting this Policy, the Named Insured agrees:

- a. the statements in the Declarations are accurate and complete;
- b. those statements are based upon representations the Named Insured made to the Insurer;
- c. the Insurer has issued this Policy in reliance upon the Named Insured's representations; and
- d. this Policy is void in any case of fraud by the Named Insured as it relates to this Policy or any claim under this Policy.

14. Separation of Insureds, Cross Liability

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy 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.

15. Termination

- a. The first Named Insured shown in the Declarations may terminate this Policy by mailing or delivering to the Insurer advance written notice of termination.
- b. The Insurer may terminate this Policy by mailing or delivering to the first Named Insured, written notice of termination at least:
 - (1) fifteen (15) days before the effective date of termination if the Insurer terminates for non-payment of premium; or
 - (2) thirty (30) days before the effective date of termination if the Insurer terminates for any other reason.

Except in Quebec if notice is mailed, termination takes effect 15 or 30 days after receipt of the letter by the post office to which it is addressed depending upon the reason for termination. Proof of mailing will be sufficient proof of notice.

- c. The Insurer will mail the Insurer's notice to the first Named Insured's last known mailing address to the Insurer.
- d. Notice of termination will state the effective date of termination. The policy period will end on that date.
- e. If this Policy is terminated, the Insurer will send the first Named Insured any premium refund due. If the Insurer terminates, the refund will be pro rata. If the first Named Insured terminates, the refund may be less than pro rata. The termination will be effective even if the Insurer has not made or offered a refund.

16. Transfer Of Rights Of Recovery Against Others To the Insurer

If the Insured has rights to recover all or part of any payment the Insurer has made under this Policy, those rights are transferred to the Insurer. The Insured must do nothing after loss to impair the Insurer's rights. At the Insurer's request, the Insured will bring **Action** or transfer those rights to the Insurer and help the Insurer enforce them.

17. Transfer of the Named Insured's Rights and Duties Under This Policy

The Named Insured's rights and duties under this Policy may not be transferred without the Insurer's written consent except in the case of death of an individual Named Insured.

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

SECTION V – DEFINITIONS

1. **Abuse** means, but is not limited to, any act or threat involving molestation, harassment, corporal punishment, assault, battery, or any other form of physical, sexual, mental, psychological or emotional abuse.
2. **Action** means a civil proceeding in which **Compensatory Damages** because of **Bodily Injury, Property Damage** or **Personal and Advertising Injury** to which this insurance applies are alleged. **Action** includes:
 - a. an arbitration proceeding in which such **Compensatory Damages** are claimed and to which the Insured must submit or does submit with the Insurer's consent; or
 - b. any other alternative dispute resolution proceeding in which such **Compensatory Damages** are claimed and to which the Insured submits with the Insurer's consent.
3. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about the Named Insured's goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. notices that are published include material placed on the Internet or on similar electronic means of communication; and

- b. regarding web-sites, only that part of a web-site that is about the Named Insured's goods, products or services for the purposes of attracting customers or supporters is considered an **Advertisement**.
4. **Automobile** means a self-propelled land motor vehicle, trailer or semitrailer (including machinery, apparatus or equipment attached thereto) required by law to be insured under a contract evidenced by a motor vehicle liability policy or any vehicle insured under such a contract.
5. **Bodily Injury** means bodily injury, sickness or disease sustained by a person and if arising out of the foregoing, disability, emotional distress, mental anguish, mental injury, shock or death.
6. **Compensatory Damages** means damages due or awarded in payment for actual injury or economic loss. **Compensatory Damages** does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
7. **Coverage Territory** means:
- a. Canada and the United States of America (including its territories and possessions);
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) goods or products made or sold by the Named Insured in the territory described in a. above;
 - (2) the activities of an Insured person whose home is in the territory described in a. above, but is away for a short time on the Named Insured's business; or
 - (3) **Personal and Advertising Injury** offenses that take place through the Internet or similar electronic means of communication
- provided the Insured's responsibility to pay **Compensatory Damages** is determined in an **Action** on the merits, in the territory described in a. above or in a settlement the Insurer agrees to.
8. **Electronic Data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
9. **Employee** includes a **Leased Worker** and a **Temporary Worker**.
10. **Executive Officer** means a person holding any of the officer positions created by the Named Insured's charter, constitution, by-laws or any other similar governing document.
11. **Fissionable Substance** means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
12. **Fungi** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any **Fungi** or **Spores** or resultant mycotoxins, allergens or pathogens.
13. **Hostile Fire** means one which becomes uncontrollable or breaks out from where it was intended to be.
14. **Impaired Property** means tangible property, other than **The Named Insured's Product** or **The Named Insured's Work**, that cannot be used or is less useful because:
- a. it incorporates **The Named Insured's Product** or **The Named Insured's Work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. the Named Insured has failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. the repair, replacement, adjustment or removal of **The Named Insured's Product** or **The Named Insured's Work**; or
 - b. the Named Insured fulfilling the terms of the contract or agreement.
15. **Incidental Medical Malpractice Injury** means **Bodily Injury** arising out of the rendering of or failure to render, during the policy period, the following services:

- a. medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or
- b. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;

by any Insured or any indemnitee causing the **Incidental Medical Malpractice Injury** who is not engaged in the business or occupation of providing any of the services described in a. and b. above.

16. **Insured Contract** means:

- a. a contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to the Named Insured or temporarily occupied by the Named Insured with permission of the owner is not an **Insured Contract**;
- b. a sidetrack agreement;
- c. an easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
- d. any other easement agreement;
- e. an obligation, as required by ordinance or by-law, to indemnify a municipality, except in connection with work for a municipality;
- f. an elevator maintenance agreement;
- g. that part of any other contract or agreement pertaining to the Named Insured's business (including an indemnification of a municipality in connection with work performed for a municipality) under which the Named Insured assumes the tort liability of another party to pay for **Compensatory Damages** because of **Bodily Injury** or **Property Damage** to a third person or organization, provided the **Bodily Injury** or **Property Damage** is caused, in whole or in part, by the Named Insured or by those acting on the Named Insured's behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph g. does not include that part of any contract or agreement:

- (1) that indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) under which the Named Insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Named Insured's rendering or failure to render **Professional Services**, including those listed in (1) above and any supervisory, inspection, architectural or engineering activities.

17. **Lead** means, but is not limited to, **Lead** in any form, lead leachate, lead in any property or materials, heavy, ductile, soft, solid, naturally occurring metallic element used in paints, pipes, solder, pottery and batteries and in any substance, on land, in air, in water or any dust containing **Lead**.

18. **Leased Worker** means a person leased to the Named Insured by a labour leasing firm under an agreement between the Named Insured and the labour leasing firm, to perform duties related to the conduct of the Named Insured's business. **Leased Worker** does not include a **Temporary Worker**.

19. **Loading or Unloading** means the handling of property:

- a. after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **Automobile**;
- b. while it is in or on an aircraft, watercraft or **Automobile**; or
- c. while it is being moved from an aircraft, watercraft or **Automobile** to the place where it is finally delivered;

but **Loading or Unloading** does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or **Automobile**.

20. **Nuclear Energy Hazard** means the radioactive, toxic, explosive, or other hazardous properties of **Radioactive Material**.

21. **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:
 - (1) separating the isotopes of plutonium, thorium and uranium or any one or more of them;
 - (2) processing or utilizing spent fuel; or
 - (3) handling, processing or packaging waste;
- c. any equipment or device used for the processing, fabricating or alloying of 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.

22. **Occurrence** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

23. **Personal and Advertising Injury** means injury, including consequential **Bodily Injury**, arising out of one or more of the following offences:

- a. false arrest, detention or imprisonment;
- b. malicious prosecution;
- c. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. the use of another's advertising idea in the Named Insured's **Advertisement**; or
- g. infringing upon another's copyright, trade dress or slogan in the Named Insured's **Advertisement**.

All **Personal and Advertising Injury** arising out of the same or similar material, regardless of the mode in which such material is communicated, including but not limited to publication by means of Internet, extra-net, email or website, will be considered as arising solely out of one offence.

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

25. **Products-Completed Operations Hazard**:

- a. Includes all **Bodily Injury** and **Property Damage** occurring away from premises the Named Insured owns or rents and arising out of **The Named Insured's Product** or **The Named Insured's Work** except:

- (1) products that are still in the Named Insured's physical possession; or
- (2) work that has not yet been completed or abandoned. However, **The Named Insured's Work** will be deemed completed at the earliest of the following times:
 - (a) when all of the work called for in the Named Insured's contract has been completed.
 - (b) when all of the work to be done at the job site has been completed if the Named Insured's contract calls for work at more than one job site.
 - (c) when that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include **Bodily Injury** or **Property Damage** arising out of:
 - (1) the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle that is not owned or operated by the Named Insured, and that condition was created by the **Loading or Unloading** of that vehicle by the Named Insured; or
 - (2) the existence of tools, uninstalled equipment or abandoned or unused materials.

26. **Professional Services** shall include but not be limited to:

- a. medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
- b. any professional service or treatment conducive to health;
- c. professional services of a pharmacist;
- d. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
- e. the handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
- f. any cosmetic, body piercing, tonsorial, massage, physiotherapy, chiropraxy, hearing aid, optical or optometrical services or treatments;
- g. the preparation or approval of maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications;
- h. supervisory, inspection, architectural, design or engineering services;
- i. accountant's, advertiser's, notary's (Quebec), public notary's, paralegal's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, financial institution's, or consultant's professional advices or activities;
- j. any computer programming or re-programming, consulting, advisory or related services; or
- k. claim investigation, adjustment, appraisal, survey or audit services.

27. **Property Damage** means:

- a. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **Occurrence** that caused it.

For the purposes of this insurance, **Electronic Data** is not tangible property.

28. **Radioactive Material** means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by or pursuant to any law, act or statute, or law amendatory thereof as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.

29. **Silica** means, but is not limited to, any substance containing silicon dioxide (SiO₂), including, but not limited to, crystalline or non-crystalline silica, silica particles, silica compounds, **Silica Dust** or synthetic silica, including but not limited to precipitated silica, silica gel, fumed silica or silica flour.

30. **Silica Dust** means dust containing **Silica** alone or mixed with any other dust or fiber(s).

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

32. **Temporary Worker** means a person who is furnished to the Named Insured to substitute for a permanent **Employee** on leave or to meet seasonal or short-term workload conditions.

33. **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.

34. **The Named Insured's Product:**

- a. Means:
 - (1) any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) the Named Insured;
 - (b) others trading under the Named Insured's name; or
 - (c) a person or organization whose business or assets the Named Insured has acquired; and
 - (2) containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

- b. Includes:
 - (1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **The Named Insured's Product**; and
 - (2) the providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

35. **The Named Insured's Work:**

- a. Means:
 - (1) work or operations performed by the Named Insured or on the Named Insured's behalf; and
 - (2) materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
 - (1) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **The Named Insured's Work**; and
 - (2) the providing of or failure to provide warnings or instructions.

36. **Volunteer Worker** means a person who is not the Named Insured's **Employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by the Named Insured, and is not paid a fee, salary or other compensation by the Named Insured or anyone else for their work performed for the Named Insured.

SECTION VI – DESCRIPTION OF TERMS USED FOR PREMIUM BASIS

- 1. **Area** - the total number of square metres of the buildings to be insured excluding that portion of the basement used exclusively for storage or that portion of the premises used for heating or air conditioning plant purposes.
Rates apply per 100 square metres of area.
- 2. **Cost of Work** - the total cost of all operations performed for the Named Insured during the policy period by independent contractors, including materials used or delivered for use by whomsoever supplied, except maintenance or ordinary alterations and repairs on premises owned or rented by the Named Insured.
Rates apply per \$1,000 of cost of work.
- 3. **Revenue** - the gross amount of money charged for all work or services performed by or on behalf of the Named Insured or goods and products sold and distributed by the Named Insured or by others trading under the Named Insured's name during the policy period.
Rates apply per \$1,000 of revenue.
- 4. **Payroll** - the total earnings during the policy period for each owner, partner, **Executive Officer** or **Employee**. For Employer's Liability, payroll not to exceed \$5,000.00 for each owner, partner, **Executive Officer** or **Employee**, in any one policy year.
Rates apply per \$1,000 of payroll.
- 5. **Other** - rates apply per designated article (i.e. person, object, event).



EARTHQUAKE EXTENSION

This endorsement modifies insurance provided under the following:

COMPREHENSIVE COMMERCIAL PROPERTY INSURANCE POLICY

This endorsement applies separately to each **Premise** described as an Insured Location in the **Declarations** and for which Earthquake is specified as covered.

(1) **Covered Perils**

This Policy is extended to include **Earthquake**.

(2) **Deductible**

The Insurer is liable for the amount by which the loss or damage caused by **Earthquake** exceeds the amount of the deductible specified on the **Declarations** for this endorsement in any one **Earthquake Occurrence**.

If a percentage deductible is specified, the amount of the deductible shall be that percentage of the amount of insurance for each item separately specified on the **Declarations**.

If both an amount and a percentage are specified on the **Declarations**, whichever deductible is greater shall apply.

This Deductible Clause supersedes the provision of any other deductible clause stated elsewhere in the policy.

(3) **Excluded Perils**

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**.

- (a) Fire, explosion, or smoke;
- (b) Leakage from a watermain or **Fire Protective Equipment**;
- (c) Theft, or vandalism and malicious acts;
- (d) Flood, including **Surface Water**, waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water, waterborne objects or ice.

(4) **Extensions of Coverage**

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

The Insurer will not pay more for this Extension than the Limit of Insurance for Earthquake shown in the **Declarations**.

(5) **Definitions**

The following Definitions are added to SECTION V – DEFINITIONS:

- (a) **Earthquake** includes snow slide, landslide, or other earth movements occurring concurrently with and directly resulting from an earthquake shock.
- (b) **Earthquake Occurrence** means all earthquake shocks which occur within 168 consecutive hours, commencing during the **Policy Period** on or after the effective date of this endorsement. The expiration of this Policy will not reduce the 168 hour period.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



FLOOD ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMPREHENSIVE COMMERCIAL PROPERTY INSURANCE POLICY

This endorsement applies separately to each **Premises** described as an Insured Location in the **Declarations** and for which Flood is specified as covered.

(1) **Covered Perils**

This Policy is extended to include **Flood**.

(2) **Deductible**

The Insurer is liable for the amount by which the loss or damage caused by **Flood** exceeds the amount of the deductible specified on the **Declarations** for this endorsement in any one **Flood Occurrence**.

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

(3) **Excluded Perils**

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

- a. **Sewer Back-up**;
- b. Water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or other openings in such sidewalks, driveways, foundations, walls or floors;
- c. (i) fire, explosion, smoke, leakage from **Fire Protective Equipment**, theft, riot, vandalism or malicious acts;
(ii) leakage from a watermain.

(4) **Extensions of Coverage**

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

The Insurer will not pay more for this Extension than the Limit of Insurance for Flood shown in the **Declarations**.

(5) **Definitions**

The following Definitions are added to SECTION V – DEFINITIONS:

- a. **Flood** means the breaking out or overflow of any natural or artificial body of water and includes **Surface Water**, waves, tides, tidal waves and tsunamis.
- b. **Flood Occurrence** means all flooding which occurs within any 168 consecutive hours commencing during the **Policy Period** on or after the effective date of this endorsement. The expiration of this Policy will not reduce the 168-hour period.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



SEWER BACK-UP DEDUCTIBLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMPREHENSIVE COMMERCIAL PROPERTY INSURANCE POLICY

Under SECTION III – DEDUCTIBLE, the following is added:

In the event of a claim under this Policy, caused by the peril of **Sewer Back-Up** at a **Premises** described in the **Declarations**, the Insurer shall be liable only for the amount by which the adjusted claim exceeds the deductible amount for the applicable coverage shown in the **Declarations** up to the Limit of Insurance.

Unless otherwise indicated in this Policy, the deductible amount shown in the **Declarations** applies to each and every covered claim.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



COMMUNICABLE DISEASE EXCLUSION

The endorsement modifies insurance provided under the following:

COMPREHENSIVE COMMERCIAL PROPERTY INSURANCE POLICY

Under SECTION I – COVERAGE A, 4.b. Excluded Perils, the following is added:

Communicable Disease

- a. any Communicable Disease or mutation thereof;
- b. nor does this Policy insure any cost, loss or expense of any kind, arising directly or indirectly from the actual, potential, alleged or threatened transmission of, contact with, exposure to, existence of, presence of, fear or spread of, a **Communicable Disease** or any mutation thereof, including any costs or expenses incurred to prevent, respond to, test for, monitor, mitigate, remove, cleanup, contain, treat, detoxify, neutralize, assess or otherwise deal with a **Communicable Disease** or any mutation thereof.

This exclusion applies:

- (i) regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the cost, loss or expense; and
- (ii) to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

Under SECTION V – DEFINITIONS, the following is added:

Communicable Disease means any disease caused by any substance or agent that occurs through any transmission of the substance or agent from an infected individual or via an animal, vector or the inanimate environment to a susceptible animal or human host where:

- (A) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- (B) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.

CYBER LOSS AND DATA EXCLUSION

The endorsement modifies insurance provided under the following:

COMPREHENSIVE COMMERCIAL PROPERTY INSURANCE POLICY

Under SECTION I – COVERAGE A, 4.b. Excluded Perils, paragraph (4) Data is deleted in its entirety and replaced with the following:

- (4) Cyber Loss and Data
- a. **Cyber Loss**; or
 - b. loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Electronic Data**, including any loss or damage pertaining to the value of such **Electronic Data**.

This exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

Under SECTION V – DEFINITIONS, the following are added:

Computer System means any computer, hardware, software, electronic device, or communication or control system (whether or not mobile or portable), including but not limited to any:

- (a) microcontroller or microprocessor;
- (b) server, cloud or networking equipment;
- (c) peripheral computer equipment, input, output or data storage device; or
- (d) application, program, process or code;

owned or operated by the Insured or any other party.

Cyber Act means an unauthorized, malicious or criminal act or series of related unauthorized malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

Cyber Incident means:

- a. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
- b. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

Cyber Loss means any loss or damage directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken or to be taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



NON-ACCUMULATION CLAUSE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY

The following is added to SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS of this Policy:

Non-Accumulation Clause

1. It is hereby understood and agreed that if any other insurance coverage is provided in favour of the Insured by the Insurer, including but not limited to prior policies issued to the Named Insured or any Insured by the Insurer, then the most the Insurer will pay under all such policies covering the **Occurrence**, accident, loss, **Action** or claim, as may be applicable, is the single highest available applicable limit of liability of any one of the policies which cover the **Occurrence**, accident, loss, **Action** or claim. Provided, however, that this provision does not apply to any policies issued by the Insurer to the Named Insured or any Insured specifically as insurance that applies excess of this policy.
2. The deductible amount, as may be applicable, under the Policy with the single highest available applicable Limit of Insurance which covers the **Occurrence**, accident, loss, **Action** or claim, shall be the applicable deductible amount that applies in respect of such **Occurrence**, accident, loss, **Action** or claim and shall be reduced to the extent of any payment made towards the deductible amount under any other such policy.
3. This endorsement applies regardless of which policy period applies to the **Occurrence**, accident, loss, **Action** or the number of claimants.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



BLANKET ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY

SECTION II – WHO IS AN INSURED of this Policy is amended to include the following:

Any person(s) or organization(s) whom the Named Insured is required to add as an additional insured to this Policy under a written contract, agreement or permit that is:

1. currently in effect or which will become effective during the Policy Period; and
2. executed prior to the **Occurrence** which results in **Bodily Injury** or **Property Damage** under Coverage A, or the offence which results in **Personal and Advertising Injury** under Coverage B.

It is further understood and agreed that:

- A. The insurance provided to this additional insured is limited as follows:
 - (i) That person or organization is an additional insured only with respect to liability:
 - (a) arising out of premises the Named Insured owns, rents, leases or occupies; or
 - (b) caused by the Named Insured's ongoing operations performed for that additional insured as specified in the written contract, agreement or permit.
 - (ii) The limits of insurance applicable to the additional insured are those specified in the contract, agreement, permit or in the Declarations of this Policy, whichever is less. These limits of insurance are inclusive of and are not in addition to the Limits of Insurance shown in the Declarations.
 - (iii) Coverage is not provided for **Bodily Injury**, **Property Damage**, or **Personal and Advertising Injury** arising out of the sole negligence of the additional insured.
 - (iv) A person or organization's status as an additional insured ends when the Named Insured's operations for that additional insured is completed.
- B. The insurance provided to the additional insured does not apply to **Bodily Injury**, **Property Damage**, or **Personal and Advertising Injury** arising out of an architect's, engineer's or surveyor's rendering or failure to render any professional services including:
 - (i) the preparing, approving or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field order, change orders, or drawings and specifications; and
 - (ii) supervisory, inspection, architectural or engineering activities.
- C. Coverage provided by this endorsement is excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis.

When this insurance is excess, the Insurer will have no duty under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY OR COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** to defend the additional insured against any **Action** if any other insurer has a duty to defend the additional insured against that **Action**. If no other insurer defends, the Insurer may undertake to do so but they will be entitled to the additional insured's rights against all those other insurers.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



COMMUNICABLE DISEASE EXCLUSION

The endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY

Under SECTION I – COVERAGES, COMMON EXCLUSIONS – COVERAGES A, B, C AND D, the following is added:

Communicable Disease

- a. **Bodily Injury, Property Damage or Personal and Advertising Injury** or any other cost, loss or expense of any kind incurred by others, arising directly or indirectly from the actual, potential, alleged or threatened transmission of, contact with, exposure to, existence of, presence of, fear or spread of, a **Communicable Disease** or any mutation thereof, including any costs or expenses incurred to prevent, respond to, test for, monitor, mitigate, remove, cleanup, contain, treat, detoxify, neutralize, assess or otherwise deal with a **Communicable Disease** or any mutation thereof;
- 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 also applies:

- (i) regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **Bodily Injury, Property Damage or Personal and Advertising Injury**; and
- (ii) to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

Under SECTION V – DEFINITIONS, the following is added:

Communicable Disease means any disease caused by any substance or agent that occurs through any transmission of the substance or agent from an infected individual or via an animal, vector or the inanimate environment to a susceptible animal or human host where:

- (A) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- (B) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



COMPLIANCE WITH APPLICABLE SANCTION LAWS ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY

In consideration of the premium charged, it is hereby understood and agreed that this insurance does not apply to the extent that trade or economic sanctions, or other similar laws or regulations, prohibit the coverage provided by this insurance, or prohibit the Insurer from providing the coverage.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.

CYBER AND ELECTRONIC DATA EXCLUSION

The endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY

Under SECTION I – COVERAGES, COVERAGE A. BODILY INJURY and PROPERTY DAMAGE LIABILITY, 2. Exclusions, exclusion m. is deleted in its entirety and replaced with:

m. Access or Disclosure of Confidential or Personal Information

Compensatory Damages arising out of any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

Under SECTION I – COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions:

- (1) exclusion l. is deleted in its entirety; and
- (2) exclusion o. is deleted in its entirety and replaced with:

o. Access or Disclosure of Confidential or Personal Information

Personal and Advertising Injury arising out of any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information.

Under SECTION I – COVERAGES, COMMON EXCLUSIONS – COVERAGES A, B, C AND D, the following is added:

Cyber and Electronic Data

Bodily Injury, Property Damage or Personal and Advertising Injury or any other cost, loss or expense incurred by the Insured or others caused by, resulting from or arising out of:

- (1) **Cyber Loss**; or
- (2) the loss of, loss of use of, damage to, misinterpretation of, misuse of, corruption of, inability to access, process, store, transmit, or manipulate **Electronic Data**.

Under SECTION V – DEFINITIONS, the following are added:

Computer System means any computer, hardware, software, electronic device, or communication or control system (whether or not mobile or portable), including but not limited to any:

- a. microcontroller or microprocessor;
- b. server, cloud or networking equipment;
- c. peripheral computer equipment, input, output or data storage device; or
- d. application, program, process or code;

owned, leased, rented, operated, or controlled by the Insured or any other party.

Cyber Act means an unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

Cyber Incident means:

- a. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
- b. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

Cyber Loss means any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken or failure for action to be taken, in controlling, preventing, suppressing, mitigating or remediating any **Cyber Act** or **Cyber Incident**.

Under SECTION V – DEFINITIONS, definition 8. is deleted in its entirety and replaced with:

Electronic Data means information, facts, concepts, programs, software or code stored as or on, created or used on, or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.

STANDARD NON-OWNED AUTOMOBILE POLICY – S.P.F. No. 6

Whereas an application has been made by the applicant (hereinafter called the Insured) to the Insurer for a contract of automobile insurance and the said application forms part of this contract of insurance and is as follows:

APPLICATION

ITEM 1

Full name and address of the Applicant : AS SHOWN ON THE POLICY DECLARATIONS Applicant is
(State whether individual, partnership, corporation, association, etc.)

ITEM 2

Policy period
From As per Policy Declarations to As per Policy Declarations
12:01 A.M. standard time at the Applicant's address stated above as to each of said dates.

ITEM 3

The automobiles in respect of which insurance is to be provided are those not owned in whole or in part by, nor registered in the name of the Applicant, used in the Applicant's business of: AS KNOWN TO THE INSURER

ITEM 4

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

LOCATION	PARTNERS, OFFICERS AND EMPLOYEES WHO REGULARLY USE AUTOMOBILES NOT OWNED BY THE APPLICANT IN THE APPLICANT'S BUSINESS						ALL OTHER PARTNERS, OFFICERS AND EMPLOYEES			ALL APPLICANT'S AGENT'S		
	Class "A1" Private passenger			Class "A2" Commercial			Class "B"			Class "C"		
	Number	Rate	Premium	Number	Rate	Premium	Number	Rate	Premium	Number	Rate	Premium
COVERED		\$	\$		\$	\$		\$	\$		\$	\$
	AS KNOWN TO THE INSURER											

ITEM 5

HIRED AUTOMOBILES – THE AUTOMOBILES HIRED BY THE APPLICANT ARE AS FOLLOWS:

TYPE OF AUTOMOBILE	ESTIMATED COST OF HIRE	RATES PER \$100 OF COST OF HIRE	ADVANCE PREMIUM
	\$	\$	\$
	AS KNOWN TO THE INSURER		

The advance premium is subject to adjustment at the end of the policy period as provided in the policy.

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

TYPE OF AUTOMOBILE AND DESCRIPTION OF USE	ESTIMATED CONTRACT COST	RATES PER \$100 OF CONTRACT COST	ADVANCE PREMIUM
	\$	\$	\$
AS KNOWN TO THE INSURER			

The advance premium is subject to adjustment at the end of the policy period as provided in the policy.

ITEM 7

This application is made for insurance against the perils mentioned in this item and upon the terms and conditions of the Insurer's corresponding standard policy form and for the following specified limit.

INSURING AGREEMENT	PERILS	LIMIT		COMBINED PREMIUMS
Section A Third Party Liability	Legal liability for bodily injury to or death of any person or damage to property of others not in the care, custody or control of the Applicant.	As per Policy Declarations	(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,	As per Policy Declarations
Endorsements: AS PER POLICY DECLARATIONS				As per Policy Declarations
Minimum retained premium: AS PER POLICY DECLARATIONS			Total premium :	As per Policy Declarations

ITEM 8

As any Insurer cancelled, declined or refused to renew or issue, automobile insurance to the Applicant within three years preceding this application? If so, state name of Insurer.

AS KNOWN TO THE INSURER

ITEM 9

State particulars of all accidents or claims arising out of the use or operation in the Applicant's business of non-owned automobiles by the Applicant within the three years preceding this application.

INJURY TO PERSONS

DAMAGE TO PROPERTY OF OTHERS

AS KNOWN TO THE INSURER

ITEM 10

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

ITEM 11

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

INSURING AGREEMENT

In consideration of the payment of the premium specified and of the statements contained in the application and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated.

SECTION A - THIRD PARTY LIABILITY

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured for loss or damage arising from the use or operation of any automobile not owned in whole or in part by or licensed in the name of the Insured, and resulting from BODILY INJURY TO OR THE DEATH OF ANY PERSON OR DAMAGE TO PROPERTY OF OTHERS NOT IN THE CARE, CUSTODY OR CONTROL OF THE INSURED:

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

- (a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or
- (b) for any liability imposed upon any person insured by this Policy:
 - (1) by any workmen's compensation law; or
 - (2) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or
- (c) for any liability assumed by any person insured by this Policy voluntarily under any contract or agreement; or
- (d) for loss or damage to property carried in or upon an automobile personally driven by any person insured by this Policy or to any property owned or rented by, or in the care, custody or control of any such person; or
- (e) for any amount in excess of the limit stated in Item 7 of the application, and expenditures provided for in the Additional Agreements of this Policy; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

Paragraph (b) of this section is not applicable in the Province of Ontario.

ADDITIONAL AGREEMENT OF INSURER

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

- (1) upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this Policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and
- (2) to defend in the name and on behalf of any person insured by this Policy and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- (3) to pay all costs taxed against any person insured by this Policy in any civil action defended by the Insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limits of the Insurer's liability; and
- (4) in case the injury be to a person, reimburse any person insured by this Policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- (5) be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated in section A of Item 7 of the application; and

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

AGREEMENTS OF INSURED

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

- (a) by the acceptance of this Policy, constitutes and appoints the Insurer such persons' irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the Insured arising out of the use or operation of an automobile with respect to which insurance is provided hereunder;
- (b) shall reimburse the Insurer, upon demand, in the amount which the Insurer has paid by reason of the provisions of any statute relating to automobile insurance and which the Insurer would not otherwise be liable to pay under this Policy.

GENERAL PROVISIONS AND DEFINITIONS

1. ADDITIONAL INSURED

The Insurer agrees to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or employee of the Insured who, with the consent of the owner thereof, personally drives (a) in the business of the Insured stated in Item 3 of the application, any automobile not owned in whole or in part by or licensed in the name of (i) the Insured, or (ii) such additional Insured person, or (iii) any person or persons residing in the same dwelling premises as the Insured or such additional Insured person, or (b) any automobile hired or leased in the name of the Insured except an automobile owned in whole or in part or licensed in the name of such additional Insured person.

2. TERRITORY

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

3. HIRED AUTOMOBILES DEFINED

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

4. AUTOMOBILES OPERATED UNDER CONTRACT DEFINED

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

5. TWO OR MORE AUTOMOBILES

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

6. PREMIUM ADJUSTMENT

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

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

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

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

STATUTORY CONDITIONS

(COMMON LAW JURISDICTIONS, EXCEPT ONTARIO)

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

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

- in all of the Provinces and Territories using these standard, approved forms, only Statutory Conditions 1, 8 and 9 are made applicable to accident benefits insurance and uninsured motorist insurance where it is provided by the contract.
- in the Northwest Territories the definition of "insured person" must be read as containing in addition the words "and includes any person to whom benefits may be payable under Section B - Accident Benefits set out in the Schedule to the Insurance Act."

1. Material Change in Risk

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

2. Prohibited Use by Insured

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

NOTE: In British Columbia, sub-condition (b) is deleted and replaced with: "while under the influence of intoxicating liquor or drugs to such an extent as to be for the time being incapable of the proper control of the automobile".

Prohibited Use by Others

- (2) The Insured shall not permit, suffer, allow or connive at the use of the automobile,
 - (a) by any person,
 - (i) unless that person is for the time being either authorized by law or qualified to drive or operate the automobile; or
 - (ii) while that person is under the age of sixteen years or under such other age as is prescribed by the law of the province in which the person resides at the time this contract is made as being the minimum age at which a licence or permit to drive an automobile may be issued to the person; or

- (b) by any person who is a member of the household of the Insured while the person's licence to drive or operate an automobile is suspended or while the person's right to obtain a licence is suspended or while the person 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.

3. Requirements Where Loss or Damage to Persons or Property

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

4. Requirements Where Loss or Damage to Automobile

- (1) Where loss of or damage to the automobile occurs, the Insured shall, if the loss or damage is covered by this contract,
 - (a) promptly give notice thereof in writing to the Insurer with the fullest information obtainable at the time;
 - (b) at the expense of the Insurer, and as far as reasonably possible, protect the automobile from further loss or damage; and
 - (c) deliver to the Insurer within 90 days after the date of the loss or damage a statutory declaration stating, to the best of the Insured's knowledge and belief, the place, time, cause and amount of the loss or damage, the interest of the Insured and of all others therein, the encumbrances thereon, all other insurance, whether valid or not, covering the automobile and that the loss or damage did not occur through any wilful act or neglect, procurement, means or connivance of the Insured.
- (2) Any further loss or damage accruing to the automobile directly or indirectly from a failure to protect it as required under 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 the written consent of the Insurer; or
 - (b) until the Insurer has had a reasonable time to make the examination for which provision is made in statutory condition 5.
- (4) Examination of Insured

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

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 repair 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.
- (6) Repair or Replacement

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.

NOTE: In Alberta, the reference to "appraisal made" is replaced with "dispute resolution process initiated".

(7) No Abandonment; Salvage

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.

(8) In Case of Disagreement

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* 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 therefore is made in writing and until after proof of loss has been delivered.

NOTE: In Alberta, the reference to "appraisal" is replaced with "dispute resolution process".

5. Inspection of Automobile

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

6. Time and Manner of Payment of Insurance Money

(1) The Insurer shall pay the insurance money for which it is liable under this contract within 60 days after the proof of loss has been received by it or, where an appraisal is made under sub condition (8) of statutory condition 4, within 15 days after the award is rendered by the appraisers.

(2) When Action May be Brought

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.

(3) Limitation of Actions

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, Manitoba and New Brunswick, the one-year limitation period in sub-condition (3) should read "2 years". In the case of Nova Scotia 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."

7. Who May Give Notice and Proofs of Claim

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.

8. Termination

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

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".

9. 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 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 Province.

STATUTORY CONDITIONS

(ONTARIO)

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

Material change in risk

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

Incorrect classification

2. (1) Where the insured has been incorrectly classified under the risk classification system used by the insurer or under the risk classification system that the insurer is required by law to use, the insurer shall make the necessary correction.

Refund of premium overpayment

- (2) Where a correction is made under sub condition (1) of this condition, the insurer shall refund to the insured the amount of any premium overpayment together with interest thereon for the period that the incorrect classification was in effect at the bank rate at the end of the first day of the last month of the quarter preceding the quarter in which the incorrect classification was first made, rounded to the next highest whole number if the bank rate includes a fraction.

Definition

- (3) In sub condition (2) of this condition, "bank rate" means the bank rate established by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to the banks listed in Schedule I to the *Bank Act* (Canada).

Additional premium

- (4) Where a correction is made under sub condition (1) of this condition within sixty days after this contract takes effect, the insurer may require the insured to pay any additional premium resulting from the correction, without interest.

Monthly payments

3. Unless otherwise provided by the regulations under the *Insurance Act*, the insured may pay the premium, without penalty, in equal monthly payments totaling the amount of the premium. The insurer may charge interest not exceeding the rate set out in the regulations.

Authority to drive

4. (1) The insured shall not drive or operate or permit any other person to drive or operate the automobile unless the insured or other person is authorized by law to drive or operate it.

Prohibited use

- (2) The insured shall not use or permit the use of the automobile in a race or speed test or for any illicit or prohibited trade or transportation.

Requirements where loss or damage to persons or property

5. (1) The insured shall,
 - (a) 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 incident;
 - (b) verify by statutory declaration, if required by the insurer, that the claim arose out of the use or operation of the automobile and that the person operating or responsible for the operation of the automobile at the time of the accident is a person insured under this contract; and
 - (c) forward immediately to the insurer every letter, document, advice or statement of claim received by the insured from or on behalf of the claimant.
- (2) The insured shall not,
 - (a) voluntarily assume any liability or settle any claim except at the insured's own cost; or
 - (b) interfere in any negotiations for settlement or in any legal proceeding.
- (3) The insured shall, whenever requested by the insurer, aid in securing information and evidence and the attendance of any witness and shall co-operate with the insurer, except in a pecuniary way, in the defence of any action or proceeding or in the prosecution of any appeal.

Requirements where loss or damage to automobile

6. (1) Where loss of or damage to the automobile occurs, the insured shall, if the loss or damage is covered by this contract,
 - (a) give notice thereof in writing to the insurer with the fullest information obtainable at the time;
 - (b) at the expense of the insurer, and as far as reasonably possible, protect the automobile from further loss or damage; and
 - (c) deliver to the insurer within ninety days after the date of the loss or damage a statutory declaration stating, to the best of the insured's knowledge and belief, the place, time, cause and amount of the loss or damage, the interest of the insured and of all others therein, the encumbrances thereon, all other

insurance, whether valid or not, covering the automobile and that the loss or damage did not occur directly or indirectly through any willful act or neglect 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 the written consent of the insurer; or
 - (b) until the insurer has had a reasonable time to make the examination for which provision is made in statutory condition 8.

Examination of insured

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

Insurer liable for cash value of automobile

- (5) The insurer shall not be liable for more than the actual cash value of the automobile at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated according to that actual cash value with proper deduction for depreciation, however caused, and shall not exceed the amount that it would cost to repair 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.

Repairing, rebuilding or replacing property damaged or lost

- (6) The insurer may repair, rebuild or replace the property that is damaged or lost, instead of making the payment referred to in statutory condition 9, if the insurer gives written notice of its intention to do so within seven days after receipt of the proof of loss.

Time for repairs

- (6.1) The insurer shall carry out the repair, rebuilding or replacement referred to in sub condition (6),
 - (a) within a reasonable period of time after giving the notice required under sub condition (6), if an appraisal referred to in sub condition (2.1) of statutory condition 9 is not carried out in respect of the claim; or
 - (b) within a reasonable period of time after the insurer receives the appraisers' determination of the matters in disagreement, if an appraisal referred to in sub condition (2.1) of statutory condition 9 is carried out in respect of the claim.

New or aftermarket parts

- (6.2) For the purposes of sub condition (6), the insurer may repair, rebuild or replace the property with new parts provided by the original equipment manufacturer or with non-original or rebuilt parts of like kind and quality to the property that was damaged or lost.

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.

Time limit

7. The notice required by sub condition (1) of statutory condition 5 and sub condition (1) of statutory condition 6 shall be given to the insurer within seven days of the incident but if the insured is unable because of incapacity to give the notice within seven days of the incident, the insured shall comply as soon as possible thereafter.

Inspection of automobile

8. 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

9. (1) If the insurer has not chosen to repair, rebuild or replace the property that is damaged or lost, the insurer shall pay the insurance money for which it is liable under the contract,
- (a) within 60 days after the insurer receives the proof of loss, if no appraisal referred to in sub condition (2.1) is carried out in respect of the claim; or
 - (b) within 15 days after the insurer receives the appraisers' determination of the matters in disagreement, if an appraisal referred to in sub condition (2.1) is carried out in respect of the claim.

Reasons for refusal

- (2) If the insurer refuses to pay a claim, it shall promptly inform the insured in writing of the reasons the insurer claims it is not liable to pay.

Resolution of disagreement by appraisal under s. 128 of the Act

- (2.1) Section 128 of the Act applies to this contract if,
- (a) the insurer has received a proof of loss from the insured in respect of property that is lost or damaged;
 - (b) the insured and the insurer disagree on,
 - (i) the nature and extent of repairs, rebuilding and replacements required or their adequacy, or
 - (ii) the amount payable in respect of the loss or damage; and
 - (c) a request in writing that an appraisal be carried out in accordance with section 128 of the Act,
 - (i) is made by the insured, or
 - (ii) is made by the insurer and the insured agrees.

When action may be brought

- (3) The insured shall not bring an action to recover the amount of a claim under this contract unless the requirements of statutory conditions 5 and 6 are complied with.

Limitations corporations of actions

- (4) Every action or proceeding against the insurer under this contract in respect of loss or damage to the automobile or its contents 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 other property shall be commenced within two years next after the cause of action arose and not afterwards.

Who may give notice and proofs of claim

10. Notice of claim may be given and proofs of claim may be made by the agent of the insured 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.

Deductible amounts

- 10.1(1) Despite anything in this contract,
- (a) the insurer shall be liable only for amounts in excess of the applicable deductible amount, if any, mentioned in this contract; and
 - (b) any provision in this contract relating to an obligation of the insurer to pay an amount or to repair, rebuild or replace property that is damaged or lost shall be satisfied by paying the amount determined by deducting any applicable deductible amount from,
 - (i) the amount the insured would otherwise be entitled to recover, or
 - (ii) the cost of repairing, rebuilding or replacing the property.

Deemed deductible amount

- (2) For the purposes of sub condition (1), an amount that an insurer is not liable to pay by reason of subsection 261 (1) or (1.1) or 263 (5.1) or (5.2.1) of the *Insurance Act* shall be deemed to be a deductible amount under this contract.

Termination

11. (1) Subject to section 12 of the *Compulsory Automobile Insurance Act* and sections 237 and 238 of the *Insurance Act*, the insurer may give to the insured a notice of termination of the contract by,
- (a) registered mail;
 - (b) personal delivery;
 - (c) prepaid courier if there is a record by the person who has delivered it that the notice has been sent; or
 - (d) electronic means if the insured consents to delivery by electronic means.
- (1.1) If the insurer gives a notice of termination under sub condition (1) for a reason other than non-payment of the whole or any part of the premium due under the contract or of any charge under any agreement ancillary to the contract or if the insurer gives a notice of termination in accordance with sub condition (1.7), the notice of termination shall terminate the contract no earlier than,
- (a) the 15th day after the insurer gives the notice, if the insurer gives the notice by registered mail; or
 - (b) the fifth day after the insurer gives the notice, if the insurer gives the notice by personal delivery, prepaid courier or electronic means.
- (1.2) Subject to sub condition (1.7), if the insurer gives a notice of termination under sub condition (1) for the reason of non-payment of the whole or any part of the premium due under the contract or of any charge under any agreement ancillary to the contract, the notice of termination shall comply with sub condition (1.3) and shall specify a day for the termination of the contract that is no earlier than,
- (a) the 30th day after the insurer gives the notice, if the insurer gives the notice by registered mail; or
 - (b) the 10th day after the insurer gives the notice, if the insurer gives the notice by personal delivery, prepaid courier or electronic means.
- (1.3) A notice of termination mentioned in sub condition (1.2) shall,
- (a) state the amount due under the contract as at the date of the notice; and
 - (b) state that the contract will terminate at 12:01 a.m. of the day specified for termination unless the full amount mentioned in clause (a), together with an administration fee not exceeding the amount approved under Part XV of the Act, payable in cash or by money order or certified cheque payable to the order of the insurer or as the notice otherwise directs, is delivered to the address in Ontario that the notice specifies, not later than 12:00 noon on the business day before the day specified for termination.
- (1.4) For the purposes of clause (a) of sub condition (1.3), if the insured and the insurer have previously agreed, in accordance with the regulations, that the insured is permitted to pay the premium under the contract in instalments, the amount due under the contract as at the date of the notice shall not exceed the amount of the instalments due but unpaid as at the date of the notice.
- (1.5) If the full amount payable under clause (b) of sub condition (1.3) is not paid by the time and in the manner that the notice specifies, the contract shall be deemed to be terminated, without any further action being required on the part of the insurer, as of 12:01 a.m. of the day specified for termination.
- (1.6) If the full amount payable under clause (b) of sub condition (1.3) is paid by the time and in the manner that the notice specifies, the contract shall not terminate on the day specified for termination and the notice shall have no further force or effect.
- (1.7) If, on two previous occasions in respect of the contract, the insurer has given a notice of termination mentioned in sub condition (1.2) and the full amount payable under clause (b) of sub condition (1.3) has been paid by the time and in the manner that the notice specifies and if a non-payment again occurs of the whole or any part of the premium due under the contract or of any charge under any agreement ancillary to the contract, the insurer may, by registered mail, personal delivery, prepaid courier if there is a record by the person who has delivered it that the notice has been sent, or electronic means if the insured consents to delivery by electronic means, give to the insured a notice of termination of the contract and sub condition (1.1) applies to the notice, instead of sub condition (1.2).
- (2) This contract may be terminated by the insured at any time on request.
- (3) Where this contract is terminated by the insurer,
- (a) the insurer shall refund the excess of premium actually paid by the insured over the proportionate premium for the expired time, but in no event shall the proportionate premium for the expired time be deemed to be less than any minimum retained premium specified;

- (b) if the termination is for a reason other than non-payment of the whole or any part of the premium due under the contract or of any charge under any agreement ancillary to the contract or if the insurer gives a notice of termination in accordance with sub condition (1.7), 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; and
- (c) if the termination is for the reason of non-payment of the whole or any part of the premium due under the contract or of any charge under any agreement ancillary to the contract and if sub condition (1.7) does not apply to the termination, the refund shall be made as soon as practicable after the effective date of the termination.
- (4) Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- (5) For the purpose of clause (a) of sub conditions (1.1) and (1.2), the day on which the insurer gives the notice by registered mail shall be deemed to be the day after the day of mailing.
- (5.1) For the purpose of clause (b) of sub conditions (1.1) and (1.2),
 - (a) the day on which the insurer gives the notice by prepaid courier shall be deemed to be the day after the day there is a record by the person who delivered it that the notice has been sent; and
 - (b) the day on which the insurer gives the notice by electronic means shall be deemed to be the day after the day the notice is sent.
- (6) All references in this condition to times of day shall be interpreted to mean the time of day in the local time of the place of residence of the insured.

Notice

- 12. (1) Written notice may be given to the insurer in the following ways:
 - (a) It may be personally delivered at the chief agency or head office of the insurer in the Province.
 - (b) It may be sent by registered mail to the chief agency or head office of the insurer in the Province.
 - (c) It may be delivered by electronic means.
- (2) Written notice may be given to the insured named in this contract in the following ways:
 - (a) It may be personally delivered.
 - (b) It may be delivered by prepaid courier to the latest address of the insured on the records of the insurer if there is a record by the person who has delivered it that the notice has been sent.
 - (c) It may be sent by registered mail to the latest address of the insured on the records of the insurer.
 - (d) It may be delivered by electronic means if the insured consents to delivery by electronic means.
- (3) In this condition, the expression "registered" means registered in or outside Canada.

Statutory accident benefits protected

- 13. Despite a failure to comply with these statutory conditions, a person is entitled to such benefits as are set out in the *Statutory Accident Benefits Schedule*.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect

REDUCTION OF COVERAGE FOR LESSEES OR DRIVERS OF LEASED VEHICLES ENDORSEMENT
– O.E.F. No. 98B

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:**

- a. 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).
- b. 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.
- c. 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 form, all terms, provisions and conditions of the Policy shall have full force and effect.

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

In consideration of the premium for which this policy is issued, this endorsement provides insurance for one or more of the coverages listed below for which a premium is charged, and no other.

Section B INSURING AGREEMENTS	LIMITS AND AMOUNTS THIS ENDORSEMENT CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE		TYPE OF AUTOMOBILE	ESTIMATED COST OF HIRE	RATE PER \$100	ADVANCE PREMIUM
Subsection 1 – ALL PERILS	\$25,000.00 (exclusive of interests and costs) any one accident.	Deductible \$500.00				
Subsection 2 - COLLISION OR UPSET	N/A	N/A	AS KNOWN TO THE INSURER			
Subsection 3 - COMPREHENSIVE	N/A	N/A				
Subsection 4 - SPECIFIED PERILS	N/A	N/A				
MINIMUM RETAINED PREMIUM \$			TOTAL PREMIUM AS PER POLICY DECLARATIONS			

SECTION B – LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured or assumed by the Insured 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;

The words “another object” as used in this subsection 2 include (a) a vehicle to which the automobile is attached and (b) the surface of the ground and any object therein or thereon;

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 3 do not include a live undomesticated animal. Loss or damage caused by an object, including another automobile, striking the automobile when the automobile is not in use or operation, 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 caused by perils for which insurance is provided under this subsection 3;

Subsection 4 – SPECIFIED PERILS

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

DEDUCTIBLE CLAUSE

Each occurrence causing loss or damage covered under any subsection hereof except loss or damage caused by fire or lightning or theft of the entire automobile covered by such subsection shall give rise to a separate claim in respect 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
 - e. to electronic accessories or electronic equipment, including radios, tape players/decks, stereo players/decks, compact disc players, DVD players, DVD screens, speakers, two-way radios, CB radios, ham radios, VHF radios, televisions, facsimile machines, electronic navigation assistance, positioning and location finding devices and items of a similar nature, when such electronic accessories and electronic equipment are detached from the automobile; or
 - f. to telephones or computers; or
 - g. 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
 - h. 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;
- (3) under subsection 3 – Comprehensive and subsection 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, 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 subsection 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.

The advance premiums for this endorsement are subject to adjustment in the same manner as those stated under Item 5 of the Policy or in the Certificate of Automobile Insurance.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.

CONTRACTUAL LIABILITY ENDORSEMENT – S.E.F. No. 96
(for attachment only to a Non-Owned Policy S.P.F. No. 6)

In consideration of the premium for which this Policy is issued, it is understood and agreed that exclusion (c), in Section A – Third Party Liability of the Policy to which this endorsement is attached is amended to read as follows:

- (c) for any liability assumed by any person insured by this Policy voluntarily under any contract or agreement other than those stated below:

All written contracts or written agreements entered into by the Named Insured that are signed prior to the accident.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.



LEASED VEHICLE EXCLUSION ENDORSEMENT – S.E.F. No. 99
(for attachment only to a Non-Owned Policy S.P.F. No. 6)

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 Automobile** as used in this Policy means an automobile:

- (a) hired from others with drivers; or
- (b) hired by the Insured from others without driver for periods not exceeding 30 days used under the control of the Insured in the business stated in Item 3 of the Policy but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect



DESIGNATED OPERATIONS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY

The following exclusion is added to SECTION I – COVERAGES, COMMON EXCLUSIONS – COVERAGES A, B, C and D of this Policy:

This insurance does not apply to:

Specified Excluded Operations and Activities

Bodily Injury, Property Damage, or Personal and Advertising Injury based upon, arising out of or attributable to:

Building/Premises Ownership

Product sales exclusion for products intended for human consumption

Except as otherwise provided in this form, all terms, provisions and conditions of the Policy shall have full force and effect.