

EQUIPMENT BREAKDOWN COVERAGE

DECLARATIONS

Name of Insured

OWNERS STRATA PLAN VIS 5801

Mailing Address

PO BOX 939 STN MAIN
PARKSVILLE, BC, V9P2G9

Location(s)

As Described in Endorsement L

Business

Water Treatment Building

Producer

WAYPOINT INSURANCE SERVICES INC.
301 - 841 CLIFFE AVE
COURTENAY, BC, V9N2J8

Policy Period

From

December 1, 2025

To

December 1, 2026

Premium

\$694.00

INSURING AGREEMENT

In consideration of the Premium and subject to all the terms and conditions of the policy, the Company agrees with the Insured named in the Declarations to provide the insurance as stated in this policy.

In witness whereof, THE BOILER INSPECTION & INSURANCE COMPANY OF CANADA has caused this policy to be signed by its President and Secretary at Toronto, Ontario.



Vice President and Corporate
Secretary



President and C.E.O.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

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

Policy Number: 19754482-07
Transaction Number: 19754482-07-01
Date Issued: October 21, 2025

EQUIPMENT BREAKDOWN COVERAGE

DECLARATIONS (Cont'd)

The following Endorsement(s) and Forms form a part of the policy as of the effective date.

L

Section	Form	Coverage/Description	Limit of Liability	Deductible/ Waiting Period	Other Provisions
A	E1000D	PROPERTY DAMAGE	\$439,000.00	\$1,000.00	
C	E1100E	OTHER COVERAGES AND LIMITS			
		Automatic Coverage	\$1,000,000.00		
		By-Laws, Demolition and Increased Cost of Construction	\$1,000,000.00		
		Errors and Omissions	\$250,000.00		
		Hazardous Substances (including Mould)	\$250,000.00		
		Ammonia Contamination	\$250,000.00		
		Water Damage	\$250,000.00		
		Professional Fees	\$250,000.00		
		Expediting Expenses	\$250,000.00		
		Data Restoration	\$50,000.00		
		Civil Authority or Denial of Access	Excluded		Coverage Period: 30 Days
		Brands and Labels	\$100,000.00		
		Green Coverage	\$50,000.00		
		Off Premises Transportable Objects	\$10,000.00		
		Public Relations	Excluded		
		Contingent Business Interruption	Excluded		
		Future Loss Avoidance	\$10,000.00		
D	E1120E	EXCLUSIONS			
E	E1151E	DEFINITIONS AND SPECIAL PROVISIONS - PRESSURE, MECHANICAL AND ELECTRICAL EQUIPMENT (Including Production Machines)			
F	E1190C	CONDITIONS			

THE BOILER INSPECTION AND INSURANCE COMPANY OF CANADA

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EQUIPMENT BREAKDOWN COVERAGE

SCHEDULE OF LOCATIONS – ENDORSEMENT L

Locations

1. OWNERS STRATA PLAN VIS 5801
5300 GAINSBURG RD
BOWSER, BC, V0R1G0

EQUIPMENT BREAKDOWN COVERAGE

SECTION A

COVERAGE: PROPERTY DAMAGE

1. COVERAGE AGREEMENT

The Company agrees, respecting loss from an Accident or Electronic Circuitry Impairment, which occurs during the Policy Period, to an Object which is in use or connected ready for use at a Location specified in Endorsement L as follows:

- a) to pay for loss to the Object, and
- b) to pay for loss to other Insured Property directly damaged by the Accident or Electronic Circuitry Impairment.

2. BASIS OF SETTLEMENT

The Company's liability for loss to Insured Property which is damaged is as follows:

- a) on business records, including Media and Data for electronic and electro mechanical data processing and production equipment, the cost of blank material plus the cost of transcription from duplicates or from originals;
- b) on any heat exchanger that forms part of forced air heating equipment that is five (5) years old or more from the date of purchase new, its Actual Cash Value;
- c) on all other Insured Property, the lesser of the cost at the time of the Accident or Electronic Circuitry Impairment,
 - i) to repair the damaged property; or
 - ii) to replace the damaged property with similar property of like kind, capacity, size, quality and function.

The Company shall not be liable for:

- 1) more than the amount actually expended by the Insured;
- 2) the cost of repairing or replacing any part or parts of a piece of equipment which is greater than the cost of repairing or replacing the entire piece of equipment;
- 3) more than the cost that would have been incurred to replace the damaged property with other property of like kind, capacity, size, quality and function except as described in the Environmental and Efficiency Improvements clause;
- 4) more than the cost that would be incurred to replace the damaged property at the same or an adjacent site; nor
- 5) loss or damage to property which is useless or obsolete to the Insured.

If the damaged property is not repaired or replaced within twelve (12) months after the date of the Accident or Electronic Circuitry Impairment then the Company will only pay for the Actual Cash Value of the damaged property.

ENVIRONMENTAL AND EFFICIENCY IMPROVEMENTS

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

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

3. DEDUCTIBLE

It is agreed, with respect to any One Accident, that from the total amount of loss and expense for which the Company is liable under this Coverage, there shall first be deducted the amount specified in the Declarations as Deductible for this Coverage and the insurance shall not apply to such amount deducted.

If more than one Deductible is specified and is applicable to loss under this Coverage from any One Accident, only one Deductible shall be applied to this Coverage and that shall be the largest of the applicable Deductibles.

4. LIMIT OF LIABILITY

If more than one Limit of Liability is specified for this Coverage and is applicable to any One Accident the Company shall not be liable as a result of such One Accident for an amount exceeding the highest Limit of Liability applicable.

5. SPARES MITIGATION

If an Accident or Electronic Circuitry Impairment occurs to a Spare Object that is in use due to an Accident or Electronic Circuitry Impairment to an Object, such Accident or Electronic Circuitry Impairment to the Spare Object shall be considered as One Accident and no additional Property Damage Deductible shall apply.

The Accident or Electronic Circuitry Impairment to the Spare Object must occur:

- a) within fourteen (14) days of the Accident or Electronic Circuitry Impairment to the Object; or
 - b) before the policy expiry,
- whichever is the lesser.

As used herein, Spare Object shall mean an Object acquired by the Insured prior to the occurrence of loss under this policy and held specifically to spare existing operating equipment.

EQUIPMENT BREAKDOWN COVERAGE

SECTION C

OTHER COVERAGES AND LIMITS

1. AUTOMATIC COVERAGE

The Company shall be liable for loss under Coverage described in Sections A and B from an Accident or Electronic Circuitry Impairment at a Location newly acquired by the Insured subject to the following conditions:

- a) the Insured notifies the Company in writing within ninety (90) days after the date the Location is acquired;
- b) the newly acquired Location is within Canada, the United States of America, Puerto Rico or any other country in which a Location specified in Endorsement L is located;
- c) the Insured agrees to pay an additional premium for insurance from the date the Location is newly acquired in accordance with the Company's Rates;
- d) the Deductible amount for such Coverage will be the highest amount shown in the policy for loss applicable to each Coverage; and
- e) the limit of the Company's liability shall be the lesser of:
 - i) the Limit of Liability applicable to each Coverage described in Sections A and B; or
 - ii) the Limit of Liability specified in the Declarations for Automatic Coverage.

2. BY-LAWS, DEMOLITION AND INCREASED COST OF CONSTRUCTION

The Company shall be liable under Coverage described in Section A for the increased cost of repair or replacement of damaged and/or undamaged Insured Property (including any necessary demolition and site clearing costs) occasioned by the enforcement of any law, by-law, ordinance, regulation, rule or ruling which is in force prior to the time of the Accident or Electronic Circuitry Impairment and which regulates or restricts the repair, replacement, construction or installation.

The Company shall also be liable for loss under Coverage described in Section B of the policy during the additional time required, with the exercise of due diligence and dispatch, to effect such repair or replacement as a result of the enforcement of said law, by-law or ordinance.

The Company shall not be liable under Coverage described in Sections A or B for:

- a) any expense in excess of the cost at the time of the Accident or Electronic Circuitry Impairment to replace the said property on the same site or a site adjacent thereto with property of such kind, capacity, size, quality and function as will satisfy the minimum requirements prescribed by any law, by-law, ordinance, regulation, rule or ruling. In the event the replacement is by property of a better kind or quality or of a larger capacity or size, the liability of the Company shall not exceed the amount that would have been paid if replacement had been made by property as would satisfy such minimum requirements.
- b) any increase in loss occasioned by the enforcement of any law, by-law, ordinance, rule or ruling affecting the use or operation of the Location or any Object;
- c) loss or expense excluded by Exclusions 4(b) or 4(c) of the policy;
- d) loss in excess of the Limit of Liability specified in the Declarations for By-Laws, Demolition and Increased Cost of Construction.

3. ERRORS AND OMISSIONS

The Company shall be liable for loss under Coverage described in Sections A and B if such loss is otherwise not payable solely due to any of the following:

- a) any error or unintentional omission by the Insured in the description or location of Insured Property;
- b) the failure by the Insured through error to include in the policy any premises owned or occupied by the Insured at the inception date of the policy; or
- c) any error or unintentional omission by the Insured that results in the cancellation of a Location.

The following conditions shall apply to this Coverage:

- 1) the Insured must notify the Company of such error or omission immediately upon discovery and report corrections;
- 2) the location is within Canada, the United States of America, Puerto Rico or any other country in which a Location specified in Endorsement L is located;
- 3) the Insured agrees to pay an additional premium for insurance, in accordance with the Company's Rates, from the date the Location should have been insured had no error or omission occurred;
- 4) the Deductible amount for such Coverage will be the highest amount shown in the policy for loss applicable to each Coverage;
- 5) the Company shall be liable for loss under this Coverage only to the extent that the Company would have been liable had the error or omission not occurred; and
- 6) the limit of the Company's liability shall be the lesser of:
 - i) the Limit of Liability applicable to each Coverage described in Sections A and B; or
 - ii) the Limit of Liability specified in the Declarations for Errors and Omissions Coverage.

4. HAZARDOUS SUBSTANCES

If a Hazardous Substance is involved in or released by an Accident or Electronic Circuitry Impairment, the Company shall be liable under Coverage described in Section A for the increase in cost to repair, replace, clean up or dispose of affected Insured Property and for any increase in loss under any Coverage described in Section B; however, the limit of the Company's liability for such increase shall not exceed the amount specified in the Declarations for Hazardous Substances.

The Company shall not be liable under this Coverage for loss or damage caused by Ammonia Contamination.

As respects this Coverage, the "increase in cost" or "increase in loss" shall mean that cost or loss beyond that which would have been incurred had no Hazardous Substance been present.

5. WATER DAMAGE

The limit of the Company's liability for loss under Coverage described in Section A for loss to Insured Property damaged by water, including salvage expense, as a direct result of an Accident or Electronic Circuitry Impairment shall not exceed the amount specified in the Declarations for Water Damage.

6. AMMONIA CONTAMINATION

Where ammonia is used as a refrigerant, the Company shall be liable under Coverage described in Sections A and B for loss or damage caused by ammonia contacting Insured Property as a direct result of an Accident or Electronic Circuitry Impairment to any refrigerating or air conditioning vessels and piping described in the definition of Object.

The limit of the Company's liability under Coverage described in Section A shall not exceed the amount specified in the Declarations for Ammonia Contamination. If a separate Deductible Amount is shown for Ammonia Contamination, such amount shall apply to loss under Coverage described in Section A.

7. PROFESSIONAL FEES

The Company shall be liable under Coverage described in Sections A and B for the reasonable and necessary fees authorized by the Company and payable to auditors, accountants, lawyers, architects, engineers or other professionals for producing and certifying information required by the Company to establish the amount payable under the policy. This Coverage does not apply to either the Insured's own employees or to Public Adjusters.

The limit of the Company's liability under this Coverage shall not exceed the amount specified in the Declarations for Professional Fees.

8. EXPEDITING EXPENSES

If there is an Accident or Electronic Circuitry Impairment the Company shall be liable for the reasonable extra cost, including overtime and the extra cost of express or rapid means of transportation, necessary to:

- a) make temporary repairs;
 - b) expedite permanent repairs; or
 - c) expedite permanent replacement
- of the Object or other Insured Property which was damaged.

The Company shall not be liable for the costs related to equipment or other property installed to replace the function of the damaged property on a temporary basis.

The limit of the Company's liability under this Coverage shall not exceed the amount specified in the Declarations for Expediting Expenses.

9. DATA RESTORATION

The Company shall be liable under coverage described in Section A for the additional costs of repairing or replacing Data, including the cost of gathering or assembling information if such data is lost or damaged as a result of the following:

- a) an Accident or Electronic Circuitry Impairment to an Object; or
- b) an Accident or Electronic Circuitry Impairment to equipment not owned or operated by the Insured which is used to supply Cloud Computing Services to a location specified in Endorsement L provided that the equipment is of a type described in the definition of Object.

The Company shall not be liable for loss or damage caused by or resulting from programming errors, nor for loss in excess of the amount specified in the Declarations for Data Restoration.

10. CIVIL AUTHORITY OR DENIAL OF ACCESS

With respect to Business Interruption and Extra Expense Coverage described in Section B, the Company shall be liable for loss under said Coverage in the event ingress to or egress from a Location specified in Endorsement L is denied by civil authority or otherwise prevented solely as a direct result of an Accident or Electronic Circuitry Impairment to equipment not owned or operated by the Insured, provided that the equipment:

- a) is of a type described in the definition of Object; and
- b) is located on or within one thousand (1000) metres of the Location.

The Company shall be liable for loss under this Coverage for the period of time commencing with the time of the Accident or Electronic Circuitry Impairment, not exceeding (i) thirty (30) consecutive days, or (ii) the period of time specified on the Declarations as Coverage Period for this Coverage, whichever is greater.

11. SERVICE INTERRUPTION

With respect to Coverage described in Section B, the Company shall be liable for loss under said Coverage from an Accident or Electronic Circuitry Impairment to equipment not owned or operated by the Insured, which is used to supply steam, gas, air, water, refrigeration, electricity or communication services to a Location specified in Endorsement L provided that the equipment:

- a) is of a type described in the definition of Object;
- b) is located on or within one thousand (1000) metres of the Location; and
- c) is owned either by the building owner at the Location, a public utility or a company contracted by the Insured for said services.

SERVICE INTERRUPTION AND CLOUD COMPUTING

With respect to Coverage described in Section B, the Company shall be liable for loss under said Coverage from an Accident or Electronic Circuitry Impairment to equipment not owned or operated by the Insured, which is used to supply Cloud Computing Services to a Location specified in Endorsement L provided that the equipment:

- 1) is of a type described in the definition of Object; and
- 2) is located in Canada, the United States of America, Puerto Rico or within any other country in which a Location specified in Endorsement L is located.

12. ANCHOR LOCATION

With respect to Business Interruption and Extra Expense Coverage described in Section B, the Company shall be liable for loss under said Coverage from an Accident or Electronic Circuitry Impairment to equipment of a type described in the definition of Object not owned by the Insured which is located at an Anchor Location.

13. BRANDS AND LABELS

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

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

The Company will pay for the reasonable and necessary expenses the Insured incurs to perform either of these two actions to the extent that they do not exceed the amount recoverable from salvage.

The Company shall not be liable for loss under this Coverage if coverage is provided by any other policy of insurance in effect at the time of the loss whether collectable or not.

The limit of the Company's liability under this Coverage shall not exceed the amount specified in the Declarations for Brands and Labels.

14. GREEN COVERAGE

With respect to Property Damage described in Section A 1. Coverage Agreement, if an Object requires repair or replacement due to an Accident or Electronic Circuitry Impairment, the Company will pay the additional cost:

- a) to repair or replace damaged insured property, whichever is the lesser of the cost at the time of an Accident or Electronic Circuitry Impairment, using equipment, materials and service firms required or recommended by a Recognized Environmental Standards Program;
- b) to dispose of damaged insured property or equipment, if practicable, through a recycling process; and
- c) to flush out reconstructed space with up to one hundred (100) percent outside air using new filtration media.

With respect to any building that is Insured Property and was, at the time of the Accident or Electronic Circuitry Impairment, certified by a Recognized Environmental Standards Program, the Company will pay the additional costs:

- 1) to prevent lapse of such certification;
- 2) to reinstate the certification or replace it with an equivalent certification;
- 3) for an engineer authorized by a Recognized Environmental Standards Program to oversee the repair or replacement of the damaged Insured Property; and
- 4) for a professional engineer to commission or recommission the Insured's damaged mechanical, electrical, or electronic building systems.

As used in this coverage, additional costs mean those beyond what would have been payable in the absence of this Green Coverage.

This coverage applies in addition to any coverage that may apply under the Environmental and Efficiency Improvements or any other applicable coverage and only to Insured Property that must be repaired or replaced as a direct result of an Accident or Electronic Circuitry Impairment.

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

The limit of the Company's liability under this coverage shall not exceed the amount specified in the Declarations for Green Coverage.

15. OFF PREMISES TRANSPORTABLE OBJECTS

The Company shall be liable for loss under Coverage described in Section A and B from an Accident or Electronic Circuitry Impairment to transportable Objects that at the time of the Accident or Electronic Circuitry Impairment are not at a Location specified in Endorsement L provided that the transportable Object:

- a) is of a type described in the definition of Object; and
- b) is at a location which is within Canada, the United States of America, Puerto Rico, or any other country in which a Location specified in Endorsement L is located.

The Company's liability for loss to any transportable Object that is three (3) years old or more from the date of purchase new, is its Actual Cash Value.

The Company shall not be liable under this Coverage for loss to any transportable Object:

- 1) which is a refrigeration system and its accessory equipment mounted temporarily or permanently on a trailer or vehicle;
- 2) which is manufactured or distributed by the Insured for sale;
- 3) which is a watercraft, aircraft or unmanned aerial vehicle (drone); or
- 4) resulting from collision, upset or external impact.

The limit of the Company's liability shall be the lesser of

- i) the Limit of Liability applicable to each Coverage described in Section A and B; or
- ii) the Limit of Liability specified in the Declarations for Off Premises Transportable Objects.

16. PUBLIC RELATIONS

With respect to Business Interruption Coverage described in Section B, the Company shall be liable for reasonable costs for professional public relations services to create and disseminate communications, when the need for such communications arises directly from interruption of the Insured's business. These communications must be directed to one or more of the following:

- a) the media;
- b) the public; or
- c) the customers, clients or members of the Insured.

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

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

The limit of the Company's liability under this Coverage shall be the lesser of:

- i) fifty (50) percent of the Business Interruption payment to the Insured; or
- ii) the Limit of Liability specified in the Declarations for Public Relations Coverage.

17. CONTINGENT BUSINESS INTERRUPTION

The Company shall be liable for loss under Business Interruption Coverage described in Section B, from an Accident or Electronic Circuitry Impairment to equipment not owned, operated or controlled by the Insured provided that the equipment:

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

The following provisions shall apply to this Coverage:

- 1) As respects any Object, the Company shall not be liable for loss from the explosion of said Object other than:
 - i) any steam boiler, steam piping, steam turbine, gas turbine, steam engine, or
 - ii) any machine when such loss is caused by centrifugal force or mechanical breakdown.

- 2) As respects any catalyst within any Object, the catalyst shall not be considered to be part of the Object and the Company shall not be liable for loss caused by or resulting from damage to the catalyst.

The limit of the Company's liability under this coverage shall not exceed the amount specified in the Declarations for Contingent Business Interruption.

18. FUTURE LOSS AVOIDANCE

With respect to Coverage described in Section A, Property Damage, the Company shall be liable for the cost to purchase and install Protective Equipment provided:

- a) the Insured has received a payment for loss to Insured Property at a Location specified in Endorsement L;
- b) the Protective Equipment is installed at the Location of the loss covered in clause a) above; and
- c) such Protective Equipment will reasonably reduce the likelihood of a future Accident or Electronic Circuitry Impairment similar to the loss covered in clause a).

The Company must receive invoices for any purchase or installation costs no later than one hundred and eighty (180) days from the date the Insured received payment for the loss described in clause a) above.

The limit of the Company's liability under this Coverage for any One Accident shall be the lesser of:

- 1) ten (10) percent of any Eligible Payment made to the Insured prior to any payment under this Coverage; or
- 2) the Limit of Liability specified in the Declarations for Future Loss Avoidance Coverage.

19. RESULTANT LOSS FROM A CYBER EVENT

The Company shall be liable for loss and expense under Coverage described in Sections A and B from an Accident or Electronic Circuitry Impairment caused by or resulting from a Cyber Event that causes direct physical damage to an Object at a Location specified in Endorsement L.

EQUIPMENT BREAKDOWN COVERAGE

SECTION D

EXCLUSIONS

This policy does not insure:

1. loss caused by or resulting from:
 - a) an Accident or Electronic Circuitry Impairment caused directly or indirectly by nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or
 - b) nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, caused directly or indirectly by, contributed to or aggravated by an Accident or Electronic Circuitry Impairment,nor shall the Company be liable for any loss covered in whole or in part by any contract of insurance, carried by the Insured, which also covers any hazard or peril of nuclear reaction or nuclear radiation;
2. loss from an Accident or Electronic Circuitry Impairment caused by or resulting from:
 - a) war, bombardment, invasion, insurrection, rebellion, revolution, military or usurped power, enemy attack including any action or measure taken in resisting, combating or delaying the enemy,
 - b) operations of armed forces while engaged in hostilities, whether war be declared or not, or
 - c) strike, riot, civil commotion or sabotage;
3. loss caused by or resulting from an Accident or Electronic Circuitry Impairment caused directly or indirectly, in whole or in part by Terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

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

4. loss caused by or resulting from:
 - a) any increase in loss necessitated by any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation,
 - b) any increase in loss as a result of damage, contamination or pollution by a Hazardous Substance,
 - c) any increase in loss or additional expenses incurred for cleanup, repair, replacement or disposal of damaged, contaminated or polluted property.As used herein, "additional expenses" shall mean expenses incurred beyond those for which the Company would have been liable had no contaminant, pollutant or Hazardous Substance been involved in the Accident or Electronic Circuitry Impairment, except as specifically provided under Coverage described in Section C;
5. loss caused by or resulting from:

the partial or total failure, malfunction or loss of use of any electronic equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:

 - a) the erasure, destruction, corruption, misappropriation or misinterpretation of Data,
 - b) any error in creating, amending, entering, deleting or using Data,
 - c) the inability to receive, transmit or use Data, or
 - d) the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility;however, loss that ensues solely from an Accident or Electronic Circuitry Impairment to any other insured Object is covered;
6. loss from an Accident or Electronic Circuitry Impairment caused by or resulting from:
 - a) earth movement, including but not limited to earthquake, landslide, mud flow, subsidence, volcanic eruption, tidal wave or tsunami,
 - b) wind, including but not limited to cyclone, tornado or hurricane,
 - c) fire, smoke or combustion explosion, or
 - d) water or other means used to extinguish a fire;
7. loss from an Accident or Electronic Circuitry Impairment caused by or resulting from:
 - a) falling objects,
 - b) weight of snow, ice or sleet,
 - c) hail,
 - d) collapse of any building or structure, or
 - e) lightning;if coverage for any such cause of loss is provided by any other policy of insurance in effect at the time of the loss whether collectible or not;

8. loss caused by or resulting from:
 - a) fire, smoke or combustion explosion; unless at the time of the Accident or Electronic Circuitry Impairment to an Object, which is an enclosed electrical or electronic machine or apparatus or an enclosed electrical panel, fire ensues inside such Object, then the Company shall also be liable for the additional cost of such damage inside this Object,
 - b) flood, unless an Accident or Electronic Circuitry Impairment to an Object ensues then the Company shall be liable only for loss from such ensuing Accident or Electronic Circuitry Impairment, or
 - c) escape of water resulting from an Accident or Electronic Circuitry Impairment unless,
 - i) coverage is not provided by any other policy of insurance in effect at the time of the loss whether collectible or not, and
 - ii) the water escapes from an Object that normally contains water or steam;
9. loss caused by or resulting from:
 - a) delay or interruption of business, manufacturing or process,
 - b) lack of power, light, heat, steam or refrigeration, or
 - c) any other indirect result of an Accident or Electronic Circuitry Impairment, except as specifically provided under Coverage described in Section B;
10. loss caused directly or indirectly by or resulting from:
 - a) any communicable disease or any infectious agent; or
 - b) the fear or threat (whether actual or perceived) of any communicable disease or any infectious agent;
11. loss where payment would constitute a violation of, or expose the Company to a sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Canada, the United States of America, United Kingdom, or the European Union;
12. loss caused directly or indirectly by or resulting from any Cyber Event, except as specifically provided in Section C, Other Coverages and Limits, 19. Resultant Loss from a Cyber Event;
13. loss from an Accident or Electronic Circuitry Impairment caused by or resulting from vandalism or malicious acts that cause damage or destruction, however, this exclusion shall not apply to a Cyber Event to the extent that coverage is provided in Section C, Other Coverages and Limits, 19. Resultant Loss from a Cyber Event;
14. with respect to Section C, Other Coverages and Limits, 9.b) Data Restoration, 10. Civil Authority or Denial of Access, 11. Service Interruption, 12. Anchor Location, and 17. Contingent Business Interruption, any direct or indirect loss, damage or expense caused by or resulting from a Cyber Event.

EQUIPMENT BREAKDOWN COVERAGE

SECTION E

DEFINITIONS AND SPECIAL PROVISIONS

PRESSURE, MECHANICAL, ELECTRICAL AND ELECTRONIC EQUIPMENT

(Including Production Machines)

DEFINITIONS

1. ACCIDENT

"Accident" shall mean a sudden and accidental breakdown of an Object or a part thereof which manifests itself at the time of its occurrence by physical damage to the Object or part thereof that necessitates its repair or replacement, but Accident shall not mean:

- a) depletion, deterioration, corrosion or erosion of material;
- b) wear and tear;
- c) leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- d) the breakdown of any structure or foundation supporting the Object or any part thereof;
- e) the functioning of any safety device or protective device; nor
- f) the cracking of any part of a gas turbine exposed to the products of combustion.

2. ELECTRONIC CIRCUITRY IMPAIRMENT

Electronic Circuitry Impairment shall mean a sudden and accidental breakdown of the Electronic Circuitry of an Object, in the Insured's care, custody or control, that causes the Object to suddenly lose its ability to function as it had been functioning immediately before the breakdown. Electronic Circuitry Impairment shall not mean:

- a) any condition that can be remedied by:
 - i) normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
 - ii) rebooting, reloading or updating software or firmware; or
 - iii) providing necessary power or supply.
- b) any condition caused by or related to:
 - i) incompatibility of the Object with any software or equipment installed, introduced or networked within the prior thirty (30) days; or
 - ii) insufficient size, capability or capacity of the Object.
- c) exposure to adverse environmental conditions including but not limited to change in temperature or humidity, unless such condition results in a loss of functionality. Loss of warranty shall not be considered a loss of functionality.

3. OBJECT

"Object" shall mean any equipment owned, leased, operated or controlled by the Insured and described below, subject to the exclusions specified herein:

- a) any boiler, any fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any refrigerating or air conditioning vessels and piping, any other piping and its accessory equipment, or any heat exchanger that forms part of forced air heating equipment, but Object shall not include:
 - i) any boiler setting, any refractory or insulating material;
 - ii) any part of a boiler or fired vessel that does not contain steam or water;
 - iii) any hose, buried piping other than that contained in a duct, tunnel or runway, domestic and supply water piping, waste disposal piping, drainage piping, or sprinkler system and its accessory equipment; nor
 - iv) any oven, stove, furnace or kiln but not excluding heat recovery piping or vessels used therewith;
- b) any mechanical or electrical machine or electrical apparatus used for the generation, transmission or utilization of mechanical or electrical power, but Object shall not include:
 - i) any crane or hoist, but not excluding:
 - 1) any pump, compressor, fan, blower, engine or turbine;
 - 2) any separate enclosed gear set connected to such machine or apparatus by a coupling, clutch or belt;
 - 3) any electrical equipment; nor
 - 4) any electronic equipment used primarily to start, stop, control or monitor such machine or apparatus;
 - ii) any oven, stove, furnace or kiln, but not excluding:
 - 1) any mechanical or electrical equipment forming a part thereof; nor
 - 2) any electronic equipment used primarily to start, stop, control or monitor such machine or apparatus;
 - iii) any vehicle, power shovel, excavator dragline or other self-propelled mobile equipment, but not excluding any electrical equipment used with such machine or apparatus;
 - iv) any lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system; nor
 - v) any conveyor belt;

- c) any electronic equipment or fibre optic cable, but Object shall not include:
 - i) any anode tube, x-ray tube, video amplifier tube or klystron tube; nor
 - ii) any laser cartridge.

4. ONE ACCIDENT

If either an Accident or Electronic Circuitry Impairment to one Object causes an Accident or Electronic Circuitry Impairment simultaneously to another Object or a series of Accidents or Electronic Circuitry Impairments occur simultaneously as a result of the same cause, they will be considered as One Accident.

5. INSURED PROPERTY

Insured Property is:

- a) property owned by the Insured;
- b) property of others in the care, custody or control of the Insured for which the Insured is legally liable.

6. HAZARDOUS SUBSTANCE

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

However, a Hazardous Substance shall not include any communicable disease or infectious agent.

7. DATA

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

8. MEDIA

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

9. LOCATION

Location means the premises owned by, leased by or occupied by the Insured.

10. RECOGNIZED ENVIRONMENTAL STANDARDS PROGRAM

Recognized Environmental Standards Program means one of the following:

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

11. ANCHOR LOCATION

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

12. ELECTRONIC CIRCUITRY

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

13. CLOUD COMPUTING SERVICES

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

14. PROTECTIVE EQUIPMENT

Protective Equipment means the following:

- a) electrical surge protection or single phase protection equipment; or
- b) any other permanently-installed physical device with the principal function of safeguarding one or more Objects from an Accident or Electronic Circuitry Impairment.

15. ELIGIBLE PAYMENT

Eligible Payment means the total amount paid by the Company to the Insured in the event of a loss.

Eligible Payment does not mean:

- a) any deductible or coinsurance amount;
- b) any payment made for loss covered under Section B of this policy; or
- c) any payment made after this policy has been cancelled or non-renewed.

16. ACTUAL CASH VALUE

Actual Cash Value means the cost of replacing the damaged property with property of similar kind, capacity, size, quality and function less depreciation however caused. The Company will consider such items as the age, condition and normal life expectancy of the damaged property in determining depreciation.

17. CYBER EVENT

Cyber Event means a hostile, illegal or transgressive act committed through electronic systems. This includes, but is not limited to, hacking, a denial of service attack or the deployment of malware. However, a Cyber Event shall not include any act as excluded in Section D, Exclusion 2.

SPECIAL PROVISIONS

1. As respects any Object, the Company shall not be liable for loss from an Accident or Electronic Circuitry Impairment while such Object is undergoing any pressure test, an insulation breakdown test or is being dried out.
2. As respects any newly acquired Object, the Company shall not be liable for loss from an Accident or Electronic Circuitry Impairment until such Object has been installed at the Location, tested, including performance and operational testing, and contractually accepted by the Insured. This provision shall not apply to any Object which is acquired to spare existing operating equipment.
3. As respects any boiler or fired vessel, the Company shall not be liable for loss from an explosion of gas or unconsumed fuel within the furnace of such Object or within the passages from the furnace to the atmosphere, whether or not such explosion is (a) contributed to or aggravated by an Accident or Electronic Circuitry Impairment to any part of said Object that contains steam or water, or (b) is caused in whole or in part, directly or indirectly, by an Accident or Electronic Circuitry Impairment to any Object, or part thereof.
4. As respects any boiler of the chemical recovery type, the Company shall not be liable for loss from an explosion within the furnace of any such boiler or within the passages from the furnace to the atmosphere, whether or not such explosion (a) is contributed to or aggravated by an Accident or Electronic Circuitry Impairment to such boiler, or (b) is caused in whole or in part, directly or indirectly, by an Accident or Electronic Circuitry Impairment to any Object, or part thereof.
5. As respects any boiler which uses a heat transfer medium other than water, such heat transfer medium and its vapour shall be considered as substituted for the words "water" and "steam" wherever such words appear in the definition of Object.
6. As respects any unfired vessel which is used for the storage of gas or liquid and which is periodically filled, moved, emptied and refilled in the course of its normal service, such vessel shall be considered as "connected ready for use" within the terms of the policy.
7. As respects any oven, stove, furnace or kiln, the Company shall not be liable for loss from an explosion within said equipment whether or not such explosion (a) is contributed to or aggravated by an Accident or Electronic Circuitry Impairment to any Object, or (b) is caused in whole or in part, directly or indirectly by an Accident or Electronic Circuitry Impairment to any Object, or part thereof.
8. As respects any in-ground hydraulic cylinder, forming part of an elevator, that is not protected with a polyvinyl chloride (PVC) or similar covering the Company shall not be liable for loss caused directly or indirectly by corrosion or electrolytic action.
9. The Company shall not be liable for loss resulting from an Accident or Electronic Circuitry Impairment to any Object which is shown in the policy as an "Uninsured Object".

EQUIPMENT BREAKDOWN COVERAGE

SECTION F

CONDITIONS

1. POLICY

The policy includes the Insuring Agreement, Declarations, any Forms and Endorsements specified in the Declarations together with any other Endorsements to the policy subsequently issued.

Wherever in the policy reference is made to an Endorsement which has been cancelled and replaced by another Endorsement, such reference shall be understood to refer to the replacing Endorsement.

2. POLICY PERIOD

For the Company to be liable under the policy, the Accident or Electronic Circuitry Impairment must occur within the Policy Period shown in the Declarations. Coverage begins and ends at 00:01 Standard Time at the Location where the Accident or Electronic Circuitry Impairment occurs.

3. ADDITIONAL INSURED

Any person or organization named in the policy as an "Additional Insured" shall be considered as an Insured under the policy only as respects their interest in the Property Insured.

The naming of any Additional Insured shall not serve to increase the liability of the Company under this policy for loss from any One Accident.

4. EXAMINATION OF BOOKS AND RECORDS

The Company may examine and audit the books and records of the Insured as they relate to the policy at any time during the Policy Period and up to three years thereafter.

5. INSPECTION

The Company has the right to inspect any Object at any reasonable time. Neither the right to make inspections nor the making of them is an undertaking to the Insured or others that such Object is safe and not hazardous or injurious to health.

6. SUSPENSION

Upon the discovery of any Object in or exposed to a dangerous condition, any representative of the Company may immediately suspend the insurance against loss from an Accident or Electronic Circuitry Impairment to that Object by giving written notice to the Insured either by mail, by facsimile or in person at the mailing address shown in the policy or at the Location of the Object. Once the insurance has been suspended, it can only be reinstated by an Endorsement to the policy issued by the Company.

The Insured shall be allowed the unearned pro-rata portion of the premium for that Object for the period that the insurance is suspended, such allowance to be paid at the expiration of the policy period.

7. CHANGES

The policy contains all the agreements between the Company and the Insured concerning the insurance afforded. Notice to any agent or broker shall not effect a change in any part of this policy nor estop the Company from asserting any rights under the policy. The terms of the policy may be changed only by an Endorsement to the policy issued by the Company.

8. TRANSFER OF INTEREST

The interest of the Insured in the policy can only be transferred or assigned with the agreement of the Company in writing, except when bankruptcy, insolvency or death occurs. In such cases, the Company will cover the Insured's legal representative as the Insured if written notice is given to the Company within sixty (60) days after the date of the bankruptcy, insolvency or death.

9. MORTGAGEE INTEREST

If a Mortgagee is named in the policy with respect to any insured Location, loss on the property of the Insured at the Location shall be paid jointly to the Insured and the Mortgagee as their interest may appear.

While the Company has the right to cancel the policy, if a Mortgagee is named, the Company agrees to mail to the Mortgagee at the address of the Mortgagee shown in the policy, a copy of the cancellation notice that has been mailed or delivered to the Insured, and as respects the interest of the Mortgagee, the cancellation shall be effective at the time specified in said notice but in no event earlier than fifteen (15) days after the date of mailing to the Mortgagee. If the Insured cancels the policy, the Company agrees to mail to the Mortgagee details of such request and as respects the interest of the Mortgagee, the cancellation shall not be effective until fifteen (15) days after the date of mailing of such details.

Suspension of coverage, as described in Condition 6, will suspend all insurance including the Mortgagee's interest. However, the Company agrees to furnish a copy of the suspension notice to the Mortgagee at the address of the Mortgagee shown in the policy.

10. CANCELLATION

The policy may be cancelled at any time by the Company or by the Insured. The Insured may cancel by notifying the Company in writing of the date thereafter the cancellation will be effective.

The Company may cancel either by mailing or delivering to the Insured, at the mailing address shown in the policy, written notice stating the date of cancellation of the policy. The Company will notify the Insured at least:

- a) fifteen (15) days before coverage ends if cancellation is for non-payment of premium; or
- b) thirty (30) days, unless a number of days is specified in the Declarations as Cancellation, before coverage ends if cancellation is for any other reason.

If cancellation by the Company is by mail, notice will be given by registered mail and the notice period will begin on the day after it arrives at the post office from which it is delivered to the Insured. If the Insured cancels, the Company will refund to the Insured seventy-five (75) percent of the pro-rata unearned premium. If the Company cancels, the Company will refund to the Insured the pro-rata unearned premium. Such refund will be made as soon as possible after the cancellation becomes effective.

11. SPECIAL PROVISIONS

In the event that an Accident or Electronic Circuitry Impairment occurs to an Object to which any Special Provision applies, the Company's liability for loss under all Coverages shall be subject to such Special Provision.

12. NOTICE OF LOSS

When an Accident or Electronic Circuitry Impairment occurs which may result in loss under the policy, the Insured or their representative must notify the Company in writing immediately. Any delay in notifying the Company may affect the amount of loss recoverable under the policy.

13. DUTIES IN THE EVENT OF LOSS OR DAMAGE

In the event of loss or damage which may result in a claim under this policy, the Insured:

- a) must take the measures necessary to salvage or protect Insured Property from further damage. The Insured must, however, allow the Company reasonable time and opportunity to examine the damaged property before repairs are undertaken or physical evidence of the Accident or Electronic Circuitry Impairment is removed;
- b) must assist the Company in investigating and adjusting the claim, including making property and records available and permitting the questioning of employees about any matter relating to the insurance or the claim;
- c) must send the Company a signed statement of loss containing the information the Company requires to settle the claim; and
- d) must not voluntarily incur any expense, other than at the Insured's own cost, except as expressly permitted in this policy.

14. LIMIT OF LIABILITY

With respect to any Coverage provided by this policy, the liability of the Company on account of any One Accident shall not exceed the Limit of Liability specified in the Declarations.

The Limit of Liability specified for each Coverage under Sections A and B shall apply separately. The Limits of Liability specified for each Coverage under Section C shall be a part of and not in addition to the limits specified for the Coverage under Sections A and B to which they apply.

Any payment for which the Company is liable with respect to any Coverage shall be considered a loss under that Coverage.

15. MULTIPLE INTERESTS

If more than one Insured is named in the policy, the Company shall not be liable for an amount in excess of that for which it would have been liable had only one Insured been named.

16. SUBROGATION

Upon assuming liability or making any payment under this policy, the Company shall be subrogated to the Insured's rights of recovery therefore against any person or organization. The Insured must provide any legal documents and other assistance required by the Company to pursue such rights. The Insured shall do nothing after the Accident or Electronic Circuitry Impairment to waive or prejudice these rights of recovery.

17. OTHER INSURANCE

If the Insured has other insurance which would apply to a loss covered by this policy had this policy not existed, then to the extent not in conflict with Guiding Principles, the insurance hereunder shall apply only as excess insurance over such other insurance, provided however,

- a) that in the event that such other insurance contains a similar excess other insurance clause, this Company shall be liable and only liable under this policy for the proportion of the said loss that the amount which would have been payable under this policy on account of the loss, had no other insurance existed, bears to the combined total of the said amount and the amount which would have been payable under all other insurance on account of the loss had there been no insurance under this policy;
- b) that in the event that such other insurance is insurance of a class other than boiler and machinery insurance, this Company shall be liable for and only for the proportion of the said loss set out in sub-paragraph (a) above.

18. INSURERS AGREEMENT

With respect to the insurance provided under this policy;

- a) if on the date of loss, there is valid property insurance in force covering property or other insurable interest of the Insured involved in the loss, and
- b) if there is a disagreement between the Company and the property Insurer as to either (a) which Insurer is liable, or (b) the proportion of loss to be paid by each Insurer,

then, upon the written request of the Insured, the Company shall settle the loss in accordance with the "Agreement Respecting Disputed Losses Between Property Insurance and Boiler and Machinery Insurance Policies" of the Insurance Bureau of Canada providing the property Insurer is a signatory to that Agreement or has agreed in writing to be bound by its acts.

19. ACTION AGAINST THE COMPANY

No action may be taken against the Company in connection with this policy unless the Insured has first complied with all of its terms and conditions nor unless commenced within fourteen (14) months from the date of the Accident or Electronic Circuitry Impairment. If this limitation of time is shorter than that prescribed by the applicable statute, it is agreed such statutory limitation of time shall apply.

20. LIBERALIZATION

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