LLOYD'S

Strata Water Treatment Plant Policy

Renewal

Prepared especially for

Owners of Strata Plan VIS5801

through the facilities of

Navacord Insurance Services British Columbia Inc.

THIS COMMERCIAL INSURANCE POLICY CONSISTS OF THIS (THESE) DECLARATIONS PAGE(S) ALONG WITH THE "GENERAL CONDITIONS" (OR "STATUTORY CONDITIONS"), AS WELL AS ALL COVERAGE WORDINGS, RIDERS OR ENDORSEMENTS THAT ARE ATTACHED HERETO.

LLOYD'S

STRATA WATER TREATMENT PLANT POLICY

Effected with certain Lloyd's Underwriters (hereinafter called the Insurer) through Lloyd's approved coverholder ("the Coverholder")

NAVACORD

Policy No. 65203842 **Declarations** **Effective 12/1/2025**

INSURANCE IS PROVIDED ONLY FOR THOSE COVERAGES FOR WHICH A SPECIFIC LIMIT OF INSURANCE IS SHOWN - ON TERMS AND CONDITIONS CONTAINED IN THE FORMS INDICATED.
ANY REFERENCE HEREIN TO THE "COMPANY" SHALL BE CONSTRUED AS THE INSURER.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

PURPOSE OF THIS DOCUMENT

Renewal-In return for the agreement of the Insured to pay the premium stated, this insurance Policy is continued in force for the period of insurance indicated. It is renewed subject to the limits of insurance and declarations shown herein. Should coverage wordings, riders or endorsements be attached hereto, they will replace the corresponding previous wordings. Otherwise all terms and conditions remain the same.

THE COVERHOLDER

Navacord Insurance Services British Columbia Inc.
301 - 841 Cliffe Avenue
Courtenay, British Columbia V9N 2J8
Main: (250) 338-3355
Web Site: www.waypoint.ca

INSURER

Lloyd's Underwriters led by Managing Agent Aegis Managing Agency Limited, Syndicate 9243
Agreement Number CB257963A(25)

NAMED INSURED AND POSTAL ADDRESS

Owners of Strata Plan VIS5801
PO Box 87
Bowser, British Columbia V0R 1G0

LOCATION OF RISK

Per attached Locations and Loss Payees schedule

PERIOD OF INSURANCE

From December 01, 2025 to December 01, 2026
(12:01 a.m. standard time at the Postal Address of the Insured)

FORM OF BUSINESS

Corporation

DESCRIPTION OF BUSINESS OPERATIONS

Waste Water/Sewer Treatment Plant

SUMMARY OF INSURANCE COVERAGE AND ANNUAL PREMIUMS

TYPE OF COVERAGE	ANNUAL PREMIUM	MINIMUM RETAINED COVERAGE PREMIUM
Property	Incl	Nil
Glass	Incl	Nil
Lloyd's Wordings	Incl	Nil

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

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

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

IN WITNESS WHEREOF THIS POLICY HAS BEEN SIGNED, AS AUTHORIZED BY THE INSURERS BY

PER

Agreement No.
CB257963A(25)
B1284CB257963A

NEW ANNUAL PREMIUM ▸ **$812**

PREMIUM PAYABLE (EXCL. APPL. TAXES) ▸ **$812**

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Locations and Loss Payees

1. 5300 Gainsberg Road, Bowser, British Columbia V0R 1G0
Waste Water/Sewer Treatment Plant (as their interest may appear)
Ministry of Finance
2080 Labieux Road Suite A
Nanaimo , British Columbia V9T 6J9

The Ministry of Environment Environmental
Management Section Re: PE-15672
British Columbia

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LIST OF SUBSCRIBING COMPANIES

(SUBJECT TO CONDITIONS IN LSW1554 AND LSW1550A)

THE INSURERS AND COVERAGES INSURED	SUM(S) INSURED OR PERCENTAGE(S)	PREMIUM	FLAT CHARGE PREMIUM	AUTHORIZED REPRESENTATIVE
Property				
Lloyd's Underwriters led by Managing Agent Aegis Managing Agency Limited, Syndicate 9243 under Agreement No. CB257963A(25) B1284CB257963A	56.0%	$455		_____
Lloyd's Underwriters led by Managing Agent Tokio Marine Kiln Syndicates Limited, Syndicate 510 under Agreement No. CB251044A(29) B1284CB251044A	24.0%	$195		_____
Lloyd's Underwriters led by Managing Agent Chubb Underwriting Agencies Limited, Syndicate 2488 under Agreement No. CB251198A(22) B1284CB251198A	20.0%	$162		_____
Total Property	**100.0%**	**$812**		
Glass				
Lloyd's Underwriters led by Managing Agent Aegis Managing Agency Limited, Syndicate 9243 under Agreement No. CB257963A(25) B1284CB257963A	100.0%	Incl		_____
Lloyd's Wordings				
Lloyd's Underwriters led by Managing Agent Aegis Managing Agency Limited, Syndicate 9243 under Agreement No. CB257963A(25) B1284CB257963A	100.0%	Incl		_____
Total Policy Premium		**$812**		

STRATA WATER TREATMENT PLANT POLICY

LLOYD'S

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SUBSCRIPTION POLICY LSW1554

IN CONSIDERATION OF THE INSURED having paid or agreed to pay each of the INSURERS named in the List of Subscribing Companies forming part hereof, or to INSURERS whose names are substituted therefor or added thereto by endorsement, hereinafter called “THE INSURERS”, the Premium set against its name in the List of Subscribing Companies (attached hereto),

THE INSURERS SEVERALLY AND NOT JOINTLY agree, each for the Sum(s) Insured or Percentage(s) and for the Coverage(s) Insured set against its name in the List of Subscribing Companies, and subject always to the terms and conditions of this Policy, that if a loss occurs for which insurance is provided by this Policy at any time while it is in force, they will indemnify the INSURED against the loss so caused; the liability of each insurer individually for such loss being limited to that proportion of the loss payable according to the terms and conditions of this Policy which the Sum Insured or the amount corresponding to the Percentage set against its name in the List of Subscribing Companies, or such other sum or percentage as may be substituted therefor by endorsement, bears to the total of the sums insured or of the amounts corresponding to the percentages of the sums insured respectively set out against the coverage concerned on the Declarations page(s).

That as regards each item of property insured which is lost or damaged at any time while this Policy is in force by a peril for which insurance is provided by the terms and conditions of this Policy, the liability of each Insurer individually shall be limited to whichever is the least of:

(a) that proportion of the actual cash value of the property at the time of the loss, destruction or damage which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual Insurer’s proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril, or

(b) that proportion of the interest of THE INSURED in the property which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer’s proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this policy in respect of that property against that peril, or

(c) that proportion of the limit of insurance stipulated in respect of the property lost, destroyed or damaged which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer’s proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril,

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

If this Policy contains a Co-Insurance Clause or a Guaranteed Amount (Stated Amount) Clause, and subject always to the limit of liability of each Insurer corresponding to the percentage of the sum insured by this Policy as set out above, no Insurer shall be liable for a greater proportion of any loss or damage to the property insured, than the sum insured by such Insurer bears to:

(a) that percentage, stated in the Co-Insurance Clause, of the actual cash value of the said property at the time of loss, or

(b) the Guaranteed Amount (Stated Amount) of total insurance stated in the Guaranteed Amount (Stated Amount) Clause, as the case may be.

If the insurance under this Policy is divided into two or more items, the foregoing shall apply to each item separately.

Wherever in this Policy, or in any endorsement attached hereto, reference is made to “The Company”, “The Insurer”, “This Company”, “we”, “us”, or “our”, reference shall be deemed to be made to each of the Insurers severally.

This policy is made and accepted subject to the foregoing provisions, and to the other provisions, stipulations and conditions contained herein, which are hereby specially referred to and made a part of this Policy, as well as such other provisions, agreements or conditions as may be endorsed hereon or added hereto.

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IN WITNESS WHEREOF THE INSURERS through their representative(s) duly authorized by them for this purpose have executed and signed this Policy.

LSW1550A

Where LLOYD'S UNDERWRITERS are subscribing insurers to the Policy, the following applies to them:

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER
This insurance has been entered into in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to the Agreement shown in the List of Subscribing Companies (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters at: Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2. In addition Quebec Legal proceedings may be served to: c/o Blake, Cassels & Graydon LLP, One Place Ville Marie, Suite 3000, Montréal, Québec H3B 4N8.

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

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FORM NO.	TYPE OF COVERAGE	DEDUCTIBLE	COINS. %	LIMIT OF INSURANCE
Property				
	All Property (All Risk)	2,500	90%	
	At Loc 1 (5300 Gainsberg Road, Bowser, British Columbia)	2,500	90%	
	Building	2,500	90%	439,000
	Replacement Cost Endorsement			
	Stated Amount Co-Insurance applies			
GOOMW	Functional Pro-Environmental Replacement Cost (Rev 09.07.17)			
USE	Underground Services Extension (Rev 05/29/17)	2,500		
	Special deductible applicable to:			
	Sewer back-up claims	10,000		439,000
	Water damage claims	10,000		
	Flood Endorsement	25,000		439,000
	Earthquake Damage Extension			
	At Loc 1 (5300 Gainsberg Road, Bowser, British Columbia)			439,000
	Deductible percentage	10%		
ME01	Earthquake Deductible Clause - Amendment			
SPL16	All Property (All Risk) (Rev. 112322)			
Glass				
	Glass			
	At Loc 1 (5300 Gainsberg Road, Bowser, British Columbia)	2,500		
Lloyd's Wordings				
	Lloyd's Wordings (CB7963/1044/1198 prop/liab)			
LSW1550A	Identification of Insurer/Action Against Insurer (Rev. 12Jul2022)			
LSW1542F	Lloyd's Underwriters' Policyholders' Complaint Protocol (Rev Oct2020)			
LSW1543E	Notice Concerning Personal Information (Rev 17Aug2023)			
LSW1565C	Code of Consumer Rights and Responsibilities (Rev. 10/12)			
LMA3100A	Sanction Limitation and Exclusion Clause (Rev. 5Oct2023)			
LMA5185	Insuring in Canada a Risk (Rev 01/11/11)			
NMA2962	Biological or Chemical Materials Exclusion (Rev 06/02/03)			
LMA5401	Property Cyber and Date Exclusion (Rev 11 Nov 19)			
LMA5393	Communicable Disease Endorsement (Rev 25Mar2020)			
LMA5028B	Service of Suit Clause (Canada) (Rev 15Apr2022)			
EDCR	Electronic Data and Cyber Risk Exclusion (Rev 03/20)			
LMA5396	Communicable Disease Exclusion (Rev 17April2020)			
NMA1191	Radioactive Contamination Exclusion Clause - Physical Damage - Direct (Rev 7May1959)			
LSW3000	Premium Payment Clause (Rev 11/01)			
	30 Days from Inception			
LMA5583B	Territorial Exclusion: Russia, Ukraine and Belarus (Rev 8Mar2023)			
LSW1815	Statutory Conditions (British Columbia)			

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FORM NO.	TYPE OF COVERAGE	DEDUCTIBLE	COINS. %	LIMIT OF INSURANCE
NMA2802	Electronic Date Recognition Exclusion (EDRE) (Rev 17Dec1997)			
NMA2918	War and Terrorism Exclusion Endorsement (Rev 8Oct2001)			
LMA5190A	Canada Subscription Policy (Rev 01Oct2020)			

Annual Premium: **$812**

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CANCELLATION REQUEST

We, the undersigned, do hereby request cancellation of the Policy bearing number 65203842 (together with any renewal certificates relating thereto) as of _____ and acknowledge that the Insurers are hereby relieved from all liability as from the cancellation date.

Signature of First Named Insured _____ Signature of a Witness _____

Signature of Second Named Insured _____ Signature of a Witness _____

Signature of Third Named Insured _____ Signature of a Witness _____

Signature of Mortgagee _____ Signature of a Witness _____

Functional Pro-Environmental Replacement Cost

This extension will provide similar new property that is more energy efficient or has a better environmental emissions rating than the insured property that was lost or damaged. Reimbursement for any additional costs involved in using such property shall be limited to the lesser of $1,000,000 or 10% of the cost that would have been reimbursed by the Insurer in the absence of this paragraph.

GOOMW (Rev. 09.07.17)

Underground Services Extension

It is hereby understood and agreed that the All Property Form SPL16 is amended as follows:

Section 4. Property Excluded, item (a) is amended to read:

a) Sewers, drains or water-mains located beyond the property lines of the premises insured, but this exclusion does not apply to loss caused by fire, lightning, explosion, smoke, leakage from Fire Protective Equipment, windstorm, hail, strike, riot, vandalism or malicious acts, impact by aircraft, spacecraft or land vehicle, or loss caused by Earthquake if earthquake coverage is indicated on the declarations page;

All other terms and conditions remain unchanged.

USE (Rev. 05.29.17)

Earthquake Deductible Clause - Amendment ME01

Attached to and forming part of SPL16 - All Property (All Risk) Form

It is hereby understood and agreed that the SPL16 - Item 2 - Deductible Clause - Earthquake is replaced with the following:

2. DEDUCTIBLE CLAUSE - EARTHQUAKE

The Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds the amount of the deductible specified on the "Declarations Page" for this endorsement in any "earthquake occurrence". This Deductible Clause applies separately to each item and to each location for which earthquake coverage is provided.

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

If the amount of insurance specified on the "Declarations Page" applies to more than a single location and a statement of values has been filed and attested by the Insured, only the declared value for each item at each separate location suffering loss or damage due to an earthquake in any "earthquake occurrence" shall be used in the calculation of the applicable deductible.

The values for locations not suffering from an earthquake shall not be used in the calculation of the applicable deductible.

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

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

All other terms and conditions remain unchanged.

(Governing the Property Section of the Policy
& all Forms & Endorsements attached thereto)
(Provinces other than Quebec)

INSURING AGREEMENTS

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

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

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

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

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

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

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

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

This extension, however, does not insure against direct or indirect loss, damage, cost, or expense, arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "**Pollutants** ".

Further, this extension does not insure against direct or indirect loss, damage, cost, or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "**Pollutants** ".

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the Co-insurance Clause (if any) forming a part of this policy.

1. **DEDUCTIBLE CLAUSE - EXCEPT EARTHQUAKE:** Unless otherwise provided for elsewhere in the Policy, the Insurer is liable only for the amount by which the loss or damage caused by any of the perils insured against (except Earthquake) exceeds the amount stated in the Declarations for the applicable form as "Deductible" in any one occurrence. If "Special deductible" is indicated in the Declarations, the Insurer is liable only for the amount by which the loss or damage caused by the perils to which the special deductible applies exceeds the amount stated in the Declarations for the applicable form as "Special deductible." This Deductible Clause shall apply separately to each location described in the Declarations. Should any occurrence give rise to the application of more than one deductible amount for any one location in this Section of the Policy, then only the highest single deductible amount will be applied.

2. **DEDUCTIBLE CLAUSE - EARTHQUAKE:** The Insurer is liable for the amount by which loss or damage caused by earthquake, in any one occurrence, exceeds the percentage (stated in the Declarations as "Deductible Percentage") of the actual cash value (or, for those items subject to the Replacement Cost provisions of the Policy, the Replacement Cost) of the insured property or interest, subject always to any minimum deductible (expressed as a dollar amount) stated in the Declarations as "Deductible minimum amount".

3. **CO-INSURANCE CLAUSE:**

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

This Clause applies separately to each item for which a co-insurance percentage is specified in the Declarations and only where the total loss exceeds the lesser of 5% of the applicable amount of insurance or $10,000; or

STATED AMOUNT CO-INSURANCE:

b) Where designated in the Declarations for the applicable form as "Stated amount co-insurance applies" and in consideration of a statement of values filed and attested by the Insured, the following clause is substituted for the Co-insurance clause (a) above and shall be effective until 12:01 a.m. Standard Time on the expiry date of the Policy and no longer:

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

ii The Statement of Values:

(a) must be signed by the Insured, and dated;
(b) must represent the Replacement Cost of the property insured if the Policy contains an applicable Replacement Cost Clause;
(c) does not apply to Stock;
(d) must be submitted within 60 (sixty) days of either:

(1) the inception date of the Policy;
(2) the renewal date of the Policy;
(3) the effective date of adding the Stated Amount Coinsurance clause.

Failure to meet any of the conditions under sub-article (ii) shall cancel the Stated Amount Coinsurance Clause and the terms and conditions of the Co-Insurance Clause (a) above, shall then apply.

iii On the expiry date of the Policy, the terms and conditions of this Clause shall cease to be in effect, and the terms and conditions of the Co-insurance Clause 3 (a) above shall then apply.

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

5. **POLLUTION EXCLUSION CLAUSE:** Unless otherwise indicated elsewhere in the Policy:

a) This Policy does not insure against direct or indirect, damage, cost or expense arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of pollutants, but this exclusion does not apply to physical loss or damage, to the property insured, caused directly by an insured peril, rupture of pipes or breakage of apparatus, not otherwise excluded elsewhere in the Policy, theft or attempt thereat, or accident to transporting conveyance. Damage to pipes caused by freezing is insured provided such pipes are not otherwise excluded elsewhere in the Policy.

b) Further, this Policy does not insure against direct or indirect loss, damage, cost, or expense, for any testing, monitoring, evaluation or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration release or escape of pollutants.

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

6. **MORTGAGE CLAUSE:** Where a Loss Payee is designated in the Declarations "As per standard mortgage clause", the following clause shall apply:

STANDARD MORTGAGE CLAUSE

(Approved by the Insurance Bureau of Canada)

a) **Breach of Conditions by Mortgagor Owner or Occupant:** This insurance and every document renewal thereof - AS TO THE INTEREST OF THE MORTGAGEE THEREIN - is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk;

PROVIDED ALWAYS that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO HIS KNOWLEDGE; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee, on reasonable demand, from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.

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

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

d) **Who May Give Proof of Loss:** In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.

e) **Termination:** The term of this mortgage clause coincides with the term of the policy;
PROVIDED ALWAYS that the Insurer reserves the right to cancel the policy as provided by statutory condition 19 as set forth in section 240 of the Insurance Act 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.

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

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

7. **PROPERTY PROTECTION SYSTEMS AGREEMENT**: It is agreed that the Insured shall notify forthwith the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any:
   a) sprinkler or other fire extinguishing system; or
   b) fire detection system; or
   c) intrusion detection system, which shall be activated at all times when the insured premises are not open for business;
   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.

8. **AUTOMATIC PROTECTION AGREEMENT:** (Applicable when any cooking apparatus is used for the preparation of food for commercial purposes)
   The rate of premium being used having regard to the fact there is present in the risk a fully automatic Wet, or Dry Chemical or C02 Extinguishing System, it is understood and agreed that:
   a) The Insured shall forthwith notify the Insurer of any interruption to or flaw or defect in the system coming to the knowledge of the Insured;
   b) The Insured, if owner or lessee of the system, shall provide for regular inspection and maintenance of the equipment as recommended by the manufacturer with a minimum of a semi-annual inspection of the system by the manufacturer's authorized representative.

9. **PERMISSION:** Permission is hereby granted:
   a) for plant changes, alterations and repairs, and for ordinary additions without limit of time; but extraordinary additions and extensions are only permitted provided notice thereof is given the Insurer at or about the time when work is commenced. Subject to the foregoing, the insurance on the property covered under this Policy is hereby extended to said additions and extensions, subject to all the terms and conditions of this Policy and to any adjustment of premium deemed necessary.
   b) to do such work and to keep and use such articles, materials and supplies in such quantities as are usual or necessary to the Insured's business;
      i With respect to unsprinklered locations only, to cease operations or to remain vacant or unoccupied for a period not exceeding 30 (thirty) days at any one time;
      ii With respect to sprinklered locations only, to cease operations in any individual building and for any building to remain vacant or unoccupied without limit of time, but the entire plant is not to cease operations or be vacant or unoccupied for a period exceeding 30 (thirty) days at any one time.

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

11. **REINSTATEMENT:** Loss under any one item of this Policy shall not reduce the applicable amount of insurance.

12. **OTHER INSURANCE**: The Insurer is not liable:
   a) for more than the portion of any loss, destruction or damage covered by this Policy which the applicable limit of this Policy bears to the total amount of insurance covering against the peril of fire irrespective of whether or not such other insurance gives insurance in respect of the perils covered by this Policy, whether by endorsement thereto or otherwise;
   b) where such other insurance does not insure against loss, destruction or damage by fire, for more than the excess (if any) of any loss or damage over the applicable limit of any other insurance which would attach if this insurance had not been effected.

13. **CURRENCY CLAUSE**: All limits of liability, deductible amounts, premiums and other amounts stated in this Policy are in Canadian Currency.

14. **SECOND HAND GOODS**: It is agreed that the Insured shall keep a record of the purchases of all second hand and used articles taken into stock and in the event of loss under this Policy; claim against the Insurer in respect of any such articles shall not exceed the cost price to the Insured.

    In the event the Insured improves any article either by additional materials and/or labour, the cost price to the Insured shall be deemed to include the extra cost of such labour and materials.

15. **DISTRIBUTION CLAUSE:** In the event that the insurance under this Section of the Policy covers (Blanket) more than one building or sections thereof, or locations, then this insurance shall be held to cover and attach in the several buildings (or sections) or locations in the proportion that the value in each shall bear to the value in all at the time of loss.

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

17. **WAIVER OF TERM OR CONDITION:**
    a) No term or condition of this Policy shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer.
    b) Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this Policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this Policy.

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

STATUTORY CONDITIONS

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

Misrepresentation

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

Property Of Others

2. The Insurer is not liable for loss or damage to property owned by a person other than the Insured unless
    (a) otherwise specifically stated in the contract, or
    (b) the interest of the Insured in that property is stated in the contract.

Change Of Interest

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

Material Change In Risk

4. (1) The Insured must promptly give notice in writing to the Insurer or its agent of a change that is
    (a) material to the risk, and
    (b) within the control and knowledge of the Insured.

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

    (3) If an Insurer or its agent is notified of a change under subparagraph (1) of this condition, the Insurer may
    (a) terminate the contract in accordance with Statutory Condition 5, or
    (b) notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within 15 days after receipt of the notice, pay to the Insurer an additional premium specified in the notice.

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

Termination Of Insurance

5. (1) The contract may be terminated
    (a) by the Insurer giving to the Insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
    (b) by the Insured at any time on request.

    (2) If the contract is terminated by the Insurer,
    (a) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
    (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.

    (3) If the contract is terminated by the Insured, the Insurer must refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.

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

Requirements After Loss

6. (1) On the happening of any loss of or damage to insured property, the Insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,

(a) immediately give notice in writing to the Insurer,

(b) deliver as soon as practicable to the Insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,

(i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,

(ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,

(iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,

(iv) stating the amount of other insurances and the names of other Insurers,

(v) stating the interest of the Insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,

(vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and

(vii) stating the place where the insured property was at the time of loss,

(c) if required by the Insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and

(d) if required by the Insurer and if practicable,

(i) produce books of account and inventory lists,

(ii) furnish invoices and other vouchers verified by statutory declaration, and

(iii) furnish a copy of the written portion of any other relevant contract.

(2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who May Give Notice And Proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made

(a) by the agent of the Insured, if

(i) the Insured is absent or unable to give the notice or make the proof, and

(ii) the absence or inability is satisfactorily accounted for, or

(b) by a person to whom any part of the insurance money is payable, if the Insured refuses to do so or in the circumstances described in clause (a) of this condition.

Salvage

9. (1) In the event of loss or damage to insured property, the Insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.

(2) The Insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the Insured under subparagraph (1) of this condition.

Entry, Control, Abandonment

10. After loss or damage to insured property, the Insurer has

(a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and

(b) after the Insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but

(i) without the Insured's consent, the Insurer is not entitled to the control or possession of the insured property, and

(ii) without the Insurer's consent, there can be no abandonment to it of the insured property.

In Case Of Disagreement

11. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the Insured's right to recover under thecontract is disputed, and independently of all other questions.

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

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

(b) the proof of loss has been delivered to the Insurer.

When Loss Payable

12. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the Insurer.

Repair Or Replacement

13. (1) Unless a dispute resolution process has been initiated, the Insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.

(2) If the Insurer gives notice under subparagraph (1) of this condition, the Insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

Action

14. Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within two (2) years next after the loss or damage occurs.

Notice

15. (1) Written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the province.

(2) Written notice to the Insured may be personally delivered at, or sent by registered mail addressed to, the Insured's last known address as provided to the Insurer by the Insured

ADDITIONAL CONDITIONS
(Applicable only in respect of loss or damage for which claim is made under the Multi-Peril [All Risks] Section of the Policy)

(i) **NOTICE TO AUTHORITIES:** Where the loss is due to malicious acts, burglary, robbery, theft or attempt thereat, or is suspected to be so due, the Insured shall give immediate notice to the police or other authorities having jurisdiction.

(ii) **NO BENEFIT TO BAILEE:** It is warranted by the Insured that this insurance shall in no wise enure directly or indirectly to the benefit of any carrier or other bailee.

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

(iv) **SUE AND LABOUR:** It is the duty of the Insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.

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

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

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

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

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

1. PROPERTY INSURED :

a) This form insures property owned by or in the care, custody, or control of the Insured, or for which the Insured has a legal obligation to insure, while at the location(s) specified in the Declarations:

b) This form also insures:
   i. $30,000 on Property other than at a specified location, except while in transit, but there shall be no liability under this item at any location owned, rented or controlled in whole or in part by the Insured;
   ii. $1,000,000 on Property at any newly acquired location that is owned, rented or controlled in whole or in part by the Insured. The limit of liability attaches at the time of acquisition and extends for a period of 60 days or to the date of endorsement of this form whichever first occurs;
   iii. $30,000 on Property in transit, including by postal services;

The insurance in Clause 1(b) applies only while the described property is within Canada or the United States of America. Items under Clause 1(b) are not subject to the terms of the co-insurance clause.

2. LIMIT OF LIABILITY:

Notwithstanding any reference in the Policy to Blanket coverage , the maximum limit of liability of the Insurer in any one loss shall not exceed the lesser of :

a) The actual amount of loss after loss adjustment in accordance with the Policy terms, provisions, and conditions, less applicable deductible(s); or
b) 110% (one hundred, ten percent) of the total value(s) for each scheduled location or item of property, as declared in the most current Statement of Values on file with the Insurer; or
c) any other Limit of Liability or Sub-limit of Insurance, or Amount of Insurance specifically used in the Policy or stated in the Declarations.

3. PERILS INSURED:

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

4. PROPERTY EXCLUDED:

This Form does not insure loss of or damage to:

a) sewers, drains or water-mains located beyond the outside bearing walls or foundations of the property insured, but this exclusion does not apply to loss caused by fire, lightning, explosion, smoke, leakage from Fire Protective Equipment, windstorm, hail, strike, riot, vandalism or malicious acts, impact by aircraft, spacecraft or land vehicle, or loss caused by Earthquake if earthquake coverage is indicated on the declarations page;
b) property at locations which to the knowledge of the Insured are vacant or unoccupied or shut down for more than 30 (thirty) days;
c) growing plants (except those used for decorative purposes within Building(s) or as otherwise provided under Extension 6 (d)), animals, fish and birds, unless such loss or damage is caused by fire, lightning, explosion, smoke, strike, riot, vandalism or malicious acts, impact by aircraft, spacecraft or land vehicle, leakage from Fire Protective Equipment, or from theft or attempt thereat;
d) Money, Securities, evidences of debt or title, except as provided under Extension 6(v);
e) automobiles, water-craft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, nor motors or other accessories attached to or mounted on such property, but this exclusion shall not apply to water-craft, amphibious or air cushion vehicles held for sale, nor to unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the Premises of the Insured;
f) furs, fur garments, jewels, jewellery, pearls, precious and semi-precious stones, gold, silver, platinum and other precious metals and alloys;
g) property insured under the terms of any marine Insurance;
h) property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
i) electrical devices, appliances or wiring; arising out of any artificially generated electrical currents, including arcing, unless fire ensues and then only for such ensuing loss or damage, however this exclusion shall not apply to Electronic Data Processing systems;
j) pressure vessels and boilers as follows:
   i. any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
   ii. any boiler, including piping and Equipment connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimeters (24 inches) or less used for the storage of hot water for domestic use; arising out of explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to:
      (1) manually portable gas cylinders;
      (2) explosion of natural, coal or manufactured gas; nor
      (3) explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.

5. PERILS EXCLUDED:

Except as otherwise provided under Article 6 Extensions of Coverage, this Form does not insure against loss or damage arising out of:

a) water damage as follows:

i. seepage, leakage or influx of water derived from natural sources through: basement walls, doors, windows or other openings therein, foundations, basement floors, sidewalks, sidewalk lights, unless concurrently caused by a peril not otherwise excluded;

ii. the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless concurrently caused by a peril not otherwise excluded;

b) centrifugal force, mechanical breakdown or electrical breakdown or derangement in or on the Premises, (except in respect of electronic data processing systems), unless fire ensues and then only for such ensuing loss or damage;

c) accidental erasure, of electronic recordings, due to operator error;

d) dampness or dryness of atmosphere, changes of temperature, freezing (except in respect of freezing of pipes not otherwise excluded under paragraph (a) of clause 4 hereof), heating, shrinkage, evaporation, loss of weight, leakage of Contents, exposure to light, contamination, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by fire, lightning, smoke, windstorm, hail, explosion, strike, riot, impact by aircraft, spacecraft or land vehicle, leakage from Fire Protective Equipment, rupture of pipes or apparatus not excluded under paragraph (j) of clause 4 hereof, vandalism or malicious acts, theft or attempt thereat or accident to transporting conveyance;

e) rodents, insects or vermin, unless directly caused by a peril otherwise insured and not otherwise excluded under this Form;

f) delay, loss of market or loss of use, or loss of occupancy;

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

h) any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;

i) infidelity or any dishonest act on the part of the Insured, any other party with an insurable interest, Employees or agents of the Insured, or any person to whom the property is entrusted (bailees for hire excepted);

j) wear, tear, gradual deterioration, latent defect or inherent vice;

k) the cost of making good

i. faulty or improper material;

ii. faulty or improper workmanship;

iii. faulty or improper design;

provided, however, to the extent otherwise insured and not otherwise excluded under this Form, resultant damage to the property is insured, but this exclusion does not apply to malicious acts, not otherwise excluded, committed by an employee of the Insured;

l) mysterious disappearance or shortage upon taking inventory;

m) earthquake, unless fire, explosion, smoke or leakage from Fire Protective Equipment ensues, and then only for such ensuing loss or damage, but this exclusion shall not apply to property in transit;

n) flood, including waves, tides, tidal waves, tsunami, and the rising of, the breaking out or the overflow of any body of water, whether natural or man-made, unless fire, explosion, smoke or leakage from Fire Protective Equipment or from a water main ensues and then only for such ensuing loss or damage; but this exclusion shall not apply to property in transit;

o) to Building(s) by:

i. snowslide, landslide, subsidence or other earth movement, unless fire, explosion, smoke or leakage from Fire Protective Equipment ensues, and then only for such ensuing loss or damage;

ii. explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for such ensuing loss or damage;

(1) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other Equipment connected to said boilers and containing steam or water under steam pressure;

(2) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;

(3) 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 does not exceed 103 kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or tanks having an internal diameter or 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;

(4) moving or rotating machinery or parts thereof;

(5) any vessels and apparatus and pipes connected therewith while undergoing pressure test, but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;

(6) gas turbines;

p) settling, expansion, contraction, moving, shifting or cracking unless concurrently caused by a peril not otherwise excluded;

q) Proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.

6. EXTENSIONS OF COVERAGE:

Subject to all other terms and conditions stated in this Policy, this Form also provides the following Extensions of Coverage. If, for any given Extension, a "Limit of Liability" is specified in the Declarations, the Insurer shall not be liable for more than the limit of liability, so specified, in respect of any one occurrence unless otherwise specifically stated. In the event that coverage provided under any Extension is more specifically and separately insured elsewhere in this Policy, then the relevant Extension under this Article 6 shall not apply:

a) **Broad Form Consequential Loss:** The insurance under this Form is extended to include loss resulting from damage to or destruction of on-Premises or off-Premises public utility plants, transformer or switching stations, sub-stations, transformer or pumping stations furnishing heat, light, power, gas, water, steam or telecommunications to the Premises described in the Declarations, when such damage or destruction is caused by a peril, which would have been insured against had it operated on the premises described in the Declarations, but excluding loss resulting from damage to or destruction of off-Premises poles, towers, or transmission or distribution lines.

In the event of any loss or series of losses arising out of one occurrence in respect of any off-Premises public utility plants, transformer or switching stations, sub-stations, transformer or pumping stations furnishing heat, light, power, gas, water, steam or telecommunications to the Premises described in the Declarations, the Insurer shall not be liable for loss or damage occurring during the first 24 (twenty-four) hours following the occurrence, during which any loss sustained shall be assumed by the Insured.

b) **Professionals' Fees:** The insurance under this Form is extended to insure $25,000 on reasonable fees charged by Accountants, Lawyers, Architects, Engineers, or other professional consultants (except Insurance Adjusters) retained by the Insured for the purpose of producing and/or certifying particulars and details required by the Insurer in connection with an insured loss.

c) **Replacement Cost:**

i. The Insurer agrees to effect settlement on the basis of replacement cost subject to the following provisions:
   (1) replacement shall be effected by the Insured with due diligence and dispatch;
   (2) replacement cost shall be paid only when replacement has been made by the Insured and in no event shall it exceed the amount actually and necessarily expended for such replacement;

ii. Any reference to actual cash value in a co-insurance clause in SPL16 General Conditions and Limitations form is deemed to be a reference to replacement cost of the property insured;

iii. In this extension "replacement cost" means the cost of replacing, repairing, constructing or re-constructing (whichever is the least) the property with new property without deduction for depreciation;
   Exclusions: This extension does not apply to:
   (1) Stock;
   (2) 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;
   (3) 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;

d) **Growing Plants, Trees, Shrubs or Flowers Outside of Building(s**): The insurance under this Form is extended to insure $25,000 for loss of or damage to growing plants, trees, shrubs or flowers, outside of Building(s), including debris removal expense.

e) **On Premises Pollutant Clean-up** : The insurance under this Form is extended to insure $25,000 for the cost or expenses incurred by the Insured to Clean Up pollutants from land or water, at the Premises specified in the Declarations, but only if the spill, discharge, emission, dispersal, seepage, leakage, release, migration, or escape of pollutants:

i. is occasioned by loss or damage to property insured at the Premises for which insurance is afforded under the Form to which this extension is attached;

ii. is sudden, unexpected and unintended from the standpoint of the Insured; and
   first occurs during the Period of Coverage of the Policy to which this Form is attached; however, the Insurer shall not be liable for:

   (1) expenses for Clean Up, away from or beyond the Premises, resulting from any spill, discharge, emission, dispersal, seepage, leakage, release, migration, or escape of pollutants emanating from the Premises, or which began prior to the Period of Coverage of the Policy to which this Form is attached;
   (2) any fines, penalties, punitive or exemplary damages;
   (3) expenses for the Clean Up of pollutants at or from any Premises, site, or location which is or was, at any time, used by or for the Insured, or others, for the purpose of handling, storage, disposal, processing, or treatment of waste;
   (4) costs to test for, monitor, or assess the existence, concentration, or effects of pollutants, however, this exclusion shall not apply if it has been determined than an insured loss has occurred;
   (5) more than the "Limit of Liability" specified in this extension (e).

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

Definitions: For the purpose of this Extension:
"Clean Up" means the removal, containment, treatment, detoxification, stabilization, neutralization, or remediation of pollutants, including testing which is integral to the aforementioned processes;
"Pollutant" means as defined under Insuring Agreement 5(c) of SP16 of the Policy to which this Form is attached.

f) **Fire Department Charges:** The insurance under this Form is extended to cover $50,000 on the Insured's liability assumed by contract or agreement, prior to a loss, for fire department service charges when the Fire Department is called to save or protect the insured property from a peril insured against.

g) **Extra Expense:** The insurance under this Form is extended to cover $25,000 for the necessary Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal conduct of the Insured's business following damage to or destruction of the property insured during the Period of Coverage, and caused by the perils insured against.

In the event of a claim being made under the terms of this Extension, the insurer shall be liable for the Extra Expense so incurred, for not exceeding twelve months, commencing with the date of loss and not limited by the date of the expiration of this Policy, as shall be required, with the exercise of due diligence and dispatch, to repair, rebuild, or replace such part of the insured property as may be destroyed or damaged.
As soon as practicable after any loss, the Insured shall resume complete or partial business operations of the Insured Property and, insofar as practicable, reduce or dispense with such extra expenses as are being incurred.

Special Exclusions Clause: In addition to any exclusions stated elsewhere in this Form, the Insurer shall not be liable for:

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

Definitions: For the purpose of this Extension:
"Extra Expense" means the excess (if any) of the total cost during the period of restoration for the purpose of continuing the Insured's business over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss occurred, including the expense of using other property or facilities of other concerns, or other similar necessary emergency expenses, as well as extra expense incurred in obtaining property for temporary use during the period of restoration necessarily required for the conduct of the Insured's business; but does not include loss of income nor extra expense in excess of that necessary to continue, as nearly as practicable, the normal conduct of the Insured's business; nor the cost of repairing or replacing any of the damaged insured property, except cost in excess of the normal cost of such repairs or replacements, necessarily incurred for the purpose of reducing the total amount of extra expense;
"Normal" means the condition that would have existed had no loss occurred;
"Month" means 30 (thirty) consecutive days.

h) **Electronic Data Processing Systems:** The insurance under this Form is extended to cover $25,000 on electronic data processing systems equipment, and component parts thereof (hardware), as well as active data processing media (software), however, coverage under this Extension does not insure: accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, or other documents except as they may be converted to data processing Media form, and then only in that form, or any data processing Media which cannot be replaced with other of like kind and quality.
Special Exclusion Clause : In addition to any exclusions stated elsewhere in this Form, the Insurer shall not be liable for any loss, damage, or expense caused directly or indirectly by accidental erasure of electronic, digital or other recordings arising out of operator error.

Basis of Settlement: The liability of the Insurer shall not exceed the lesser of:
i. the limit of liability specified in the Declarations for this Extension; or
ii. in respect of electronic processing equipment and Media, the cost to repair or replace the damaged property as per Article 6(c) of this form;
iii. in respect of data, the actual cost of replacing the data; if not replaced or reproduced, the cost of the blank Media.

Definitions: for the purpose of this Extension:
"Media" means all forms of converted data and/or instruction vehicles and/or devices intended for the storage of data, but does not mean Media held for sale or distribution or already sold.

i) **Accounts Receivable:** The insurance under this Form is extended to cover $50,000 on all sums due the Insured from customers, provided the Insured is unable to effect collection thereof, as a direct result of loss or damage to records of accounts receivable as a result of an insured peril; interest charges on any loan to offset impaired collections pending payment of such sums made uncollectible by such loss or damage; collection expense in excess of normal collection expense and made necessary because of such loss or damage; and other expenses, when reasonably incurred by the Insured in re-establishing records of accounts receivable following such loss or damage.

Special Exclusion Clause: In addition to any exclusions stated elsewhere in this Form, the Insurance under this Extension shall not apply to:

i. loss due to bookkeeping, accounting or billing errors or omissions;
ii. loss, the proof of which as to factual existence, is dependent upon an audit of records or an inventory computation; but this shall not preclude the use of such procedures in support of claim for loss which the Insured can prove, through evidence wholly apart therefrom;
iii. loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of Money, Securities or other property but only to the extent of such wrongful acts.

j) **Valuable Papers:** The insurance under this Form is extended to cover $50,000 on Valuable Papers and Records, (meaning written, printed, or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but does not mean: Money or Securities, nor electronic data processing Media).

k) **Brands and Labels:** In the event of damage, caused by a peril insured against, to insured property bearing a brand name or trademark, or which in any way carries or implies the guarantee or the responsibility of the manufacturer or Insured, or the sale of which might influence the market value of similar products, the salvage value of such damaged property shall be determined after removal, in the customary manner, of all such brands or trademarks or other identifying characteristics, however, the Insurer shall not be liable for more than $25,000 in any one loss. The Insured shall have full right to the possession and control of all damaged goods after suitable tests have indicated which goods have been damaged.

l) **Expediting Expense:** In the event of loss of or damage to property insured, the insurance under this Form is extended to cover $30,000 on the extra cost to make reasonable temporary repairs, or to expedite reasonable permanent repairs and to expedite permanent replacement of the lost or damaged property.

m) **Peak Season:** The Insured's declared value for Stock, which may form a part of property insured, shall be automatically increased by 25%, up to a maximum limit as specified in the Declarations for this Extension as "Peak Season Limit", in order to provide for seasonal variations of Stock values. This Extension shall not apply unless Stock is insured for a minimum of 100% of the Insured's average monthly value for the 12 months immediately preceding the latest effective date, inception date, or renewal or, in the event that the Insured has been in business for less than 12 months, then such shorter period of time.

n) **Deferred Sales:** In the event that property insured, sold by the Insured under conditional sale or installment or deferred payment plan, is lost or damaged by a peril insured against prior to the Insured receiving complete payment, the Insurance under this Form is extended to cover $25,000 on the Insured's interest in such lost or damaged property while in transit to or following delivery to the purchaser, however the Insurer shall not be liable, under this extension, for loss resulting from default by the purchaser, of any such conditional sale or installment or deferred payment plan.

o) **Installation:** The insurance under this Form is extended to cover $25,000 on property and the installation labour cost therefore, all to be used in or incidental to the installation operations of the Insured, however this Extension does not insure:

i. tools and Equipment owned by the Insured or by others except those being installed by the insured;

ii. bridges, viaducts, docks, piers, wharves, tunnels, or dams unless otherwise specifically endorsed hereon;

iii. accounts, bills, currency, deeds, evidences of debt, Money, notes, Securities, manuscripts, records, or other documents, provisions, motor vehicles, trailers and other conveyances or their appurtenances or accessories.

Special Exclusions Clause: the insurance under this Extension (o) shall not apply to:

i. loss by explosion to any pressure vessel or internal combustion engine in which the explosion originates;

ii. loss caused directly or indirectly by deterioration, faulty or improper materials or faulty or improper workmanship, or faulty or improper design unless fire or explosion ensues and then only for such ensuing loss or damage.

Attachment: Within the Period of Coverage, the property insured is covered from the time of leaving the Premises of the Insured, the owners, or the manufacturers for shipment to the site of installation, while in transit, while awaiting installation on site and during installation until accepted, or the interest of the Insured ceases, whichever occurs first.

p) **Arson Reward:** In the event of loss or damage, to the property insured, caused by fire which results from an act of arson, the Insurance under this Form is extended to indemnify the Insured for reward paid for information leading to convictions for that act of arson, however the Insurer shall not be liable for more than $10,000 in respect of any one claim for indemnity.

q) **Master Key:** The insurance under this Form is extended to insure at an insured location up to a maximum of $ 50,000 for the cost to repair or replace lock(s) and key(s) or access cards for “Premises” insured, provided that any such repair or replacement is made necessary by the actual destruction, disappearance or wrongful abstraction of master key(s), lock(s) or access cards.

r) **Fire Suppression Recharge:** The insurance under this Form is extended to insure at an insured location up to a maximum of $ 25,000 for any fire suppression system recharge expense (including system inspection expenses) incurred by the Insured due to the leakage or discharge of the fire suppressant within any fire suppression system where such leakage or discharge is caused by or results from a peril insured against. Insured under this Extension 6(r), without increasing the maximum limit of liability specified for this Extension 6(r), may also be applied to the cost incurred during the Policy Period of upgrading any fire suppression system following loss or damage arising out of a fire to which this Form otherwise applies and that caused such fire suppression system to discharge.

s) **Cost to Prepare Proof of Loss:** Subject to Extension 6 (b), the Insurance under this Form is extended to indemnify the Insured for $10,000 on reasonable costs incurred in the preparation of any Proof of Loss form required by the Insurer in connection with any claim made under this Policy.

t) **Home Office Extension:** The insurance under this Form is extended to cover $25,000 on insured property while away from the Premises at the home office of the Insured or the Insured's Employees.

u) **New Construction:** The insurance under this Form is extended to cover $100,000 on property in the course of construction which constitutes any addition, extension, and alteration to the Premises of the Insured, and includes:

i. foundations, piers or to other supports, excavation, site preparation, landscaping, and similar work, but only provided notice is given the Insurer at or about the time when work is commenced;

ii. Building materials and supplies, landlord's permanent fittings and fixtures to be attached thereto and form part thereof, fences, frescoes, glass, and machinery and Equipment forming part of the Building services;

iii. temporary Building(s), scaffolding, falsework, forms, hoardings;

v) **Money and Securities:** The Insurance under this Form is extended to cover $5,000 for:

i. loss of Money and Securities caused by actual destruction, disappearance or wrongful abstraction thereof, including while within any Banking Premises or similar recognized places of safe deposit, or while being conveyed by a Messenger or any armoured motor vehicle company, or while within the living quarters in the home of any Messenger;

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

iii. loss which the Insured, or any bank which is included in the Insured's proof of loss and in which the Insured carries a chequing or savings account, as their respective interest may appear, shall sustain through forgery or alteration of, on or in any cheque, draft, promissory note, bill of exchange or similar written promise, order or direction to pay a certain sum in Money, made or drawn by or drawn upon the Insured, or made or drawn by one acting as the agent of the Insured, or purporting to have been made or drawn as hereinbefore set forth, including:

(1) any cheque or draft made or drawn in the name of the Insured, payable to a fictitious payee and endorsed in the name of such fictitious payee;

(2) any cheque or draft procured in a face to face transaction with the Insured, or with one acting as agent of the Insured, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and

(3) any payroll cheque, payroll draft, or payroll order made or drawn by the Insured, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee;

whether or not any endorsement mentioned in (1), (2), or (3), above, be a forgery within the law of the place controlling the construction thereof.

Mechanically produced facsimile signatures are treated the same as handwritten signatures.

The Insured shall be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Extension 6(v), whether sustained by the Insured or such bank, shall be paid directly to the Insured in its own name, except in cases where such bank shall have already fully reimbursed the Insured for such loss. The liability of the Insurer to such bank for such loss shall be a part of and not in addition to the amount of insurance applicable to the Insured's office to which such loss would have been allocated had such loss been sustained by the Insured.

If the Insured or such bank shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Insured or such bank to enforce such payment and the Insurer shall give its written consent to the defense of such suit, then any reasonable lawyers' fees, court costs, or similar legal expenses incurred and paid by the Insured or such bank in such defense shall be construed to be a loss under this Extension 6(v), and the liability of the Insurer for such loss shall be in addition to any other liability under this Extension 6(v).

Special Exclusions Clause: The insurance under this Extension does not apply:

i. to loss of Money contained in coin operated amusement devices or vending machines, unless the amount of Money deposited within the device or machine is recorded by a continuous recording instrument therein;

ii. to loss unless records of the insured property are kept by the Insured in such a manner that the Insurer can accurately determine therefrom the amount of loss;

iii. to loss due to accounting or arithmetical errors or omissions;

iv. to loss caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military power.

w) **Employee Dishonesty:** The insurance under this Form is extended to cover loss of Money, Securities and other property which the Insured shall sustain resulting directly from one or more Fraudulent or Dishonest Acts committed by an Employee, acting alone or in collusion with others, however the Insurer shall not be liable for more than $25,000 in respect of any one loss.

Special Exclusions Clause: The insurance under this Extension does not apply:

i. to loss due to any Fraudulent, Dishonest, or criminal act by any insured or a partner therein, whether acting alone or in collusion with others;

ii. to loss, or to that part of any loss, as the case may be, the proof of which, either to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation.

x) **Building Damage By Burglary:** Where the Insured is not the owner of the building, this Form is extended to insure $50,000 on damage (except by fire) to that part of the building occupied by the Insured directly resulting from burglary or any attempt thereat and from vandalism or malicious acts committed on the same occasion provided the Insured is liable for such damage.

y) **Inflation Protection:**

At the date of each renewal of the Period of Coverage, the limit of liability applicable under this Policy shall be increased by the proportion by which the latest published STATISTICS CANADA CONSTRUCTION BUILDING MATERIAL PRICE INDEX (NON- RESIDENTIAL) has increased since the previous renewal of coverage.

This Extension (12) shall not apply in the event that the Insured is required, by the terms of the Policy, to provide a Statement of Values, nor in the event that the Agent or Broker of record provides a specific and applicable limit of liability.

z) **Interruption by Civil Authority:**

This Form is extended to include the actual loss as covered hereunder during the period of time, not exceeding 2 (two) weeks, while access to the described Premises is prohibited by order of civil authority, but only when such order is given as a direct result of damage, to neighbouring premises, by a peril that would have been insured against had the loss occurred on the Premises.

aa) **Liberalization Clause:**

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

ab) **Additional Time to Rebuild:**

Coverage afforded by this Form shall be applicable only to business interruption coverages insured under this Policy.

Subject to the terms, conditions and limitations of this Policy, including endorsements thereon, in case of loss, destruction or damage by a peril insured against under this Policy, the insurance provided extends to include loss to the interest insured

(a) occasioned by the enforcement of any by-law, regulation, ordinance or law which:
i) regulates zoning or the demolition, repair or construction of damaged buildings or structures;
ii) is in force at the time of such loss, destruction or damage; and
iii) necessitates the demolition of any portion of the buildings or structures which has not suffered damage by a peril insured against under this Policy; and
(b) due to any additional period of time that would be required for repairing, replacing, constructing or reconstructing any portion of the buildings or structures where such loss is occasioned by the enforcement of the minimum requirements of any such by-law, regulation, ordinance or law as is referred to in sub-paragraph (i) and (ii) of paragraph (a).

When the Policy is subject to a maximum period of indemnity, such period shall not be extended by this Form. The Insurer shall not be liable under this Form for:

(a) any loss occasioned by the enforcement of any by-law, regulation, ordinance or law which:
i) regulates zoning or the demolition, repair or construction of damaged buildings or structures;
ii) is in force at the time of such loss, destruction or damage; and
iii) prohibits the Insured from rebuilding on the same site or on an adjacent site or prohibits continuance of like occupancy;
(b) more than the limit of liability specified, for this Form, in the Declarations;
(c) any greater proportion of any loss to the interest covered by the Policy than that which the amount insured under the Policy on said interest bears to the total amount of insurance on said interest, whether such insurance contains this Form or not.
(d) direct or indirect loss, damage, cost or expense, arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of "pollutants".
(e) direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

If the Policy insures two or more items, the foregoing shall apply separately to each item to which this Form applies.

ac) **Building By-Laws: Blanket:**

a) This extension applies only to a building or structure insured by the policy.
b) In consideration of the premium charged, and subject to the limit of liability shown in the policy declarations, this policy shall, without increasing the amount of insurance, and only as a result of a peril insured against, extend to indemnify the Insured for:
i) loss occasioned by the demolition of any undamaged portion of the buildings or structures; or

ii) cost of demolishing and clearing the site of any undamaged portion of the buildings or structures; or

iii) any increase in the cost of repairing, replacing, construction or reconstructing the buildings or structures on the same site or on an adjacent site of like height, floor area and style, and for like occupancy;

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

iv) regulates zoning or the demolition, repair or construction of damaged buildings or structures; and
v) is in force at the time of such loss or damage.

The Insurer shall not be liable under this extension for losses occasioned by the enforcement of any by-law, regulation, ordinance or law which prohibits an Insured from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy.

ad) **Tenant's Leasehold Interest:**

If, as a result of an insured loss, the landlord terminates the lease, in accordance with the conditions of that lease, the Insurer will pay the difference between any higher current rental value and the values stipulated in the current lease, however the Insurer shall not be liable, in any one loss occurrence, for more than the lesser of:

i. the actual loss sustained by the insured; or
ii. $25,000.

ae) **Catch-All Clause:**

If, in the event of a claim being made under any extension specified under Article 6 Extensions Of Coverage (except as specified below), and following the application of all terms, deductibles, and conditions applicable to the extension of this Form under which claim is made, the limit of liability is insufficient to fully indemnify the Insured for loss or damage, then the Insurance under this Form is extended to provide additional coverage, in excess of any such adjusted claim, but in no event shall the Insurer be liable, in any one loss occurrence, for more than the lesser of:

i. the difference between the amount payable, under the adjusted claim(s), and the amount required to fully indemnify the Insured; or
ii. $75,000

Whichever is the lesser amount.

In the event that coverage provided under any extension is more specifically and separately insured elsewhere in this Policy, then the relevant extension under Article 6 Extensions of Coverage shall not be eligible for the benefits of this Extension 6(ae) Catch-All Clause.

In no event shall this Extension 6(ae) Catch-All Clause apply to claims for loss or damage under Extensions 6(a), 6(e), 6(v) and 6(w) of this Form. This Catch-All Clause (without increasing the maximum limit of liability as specified above for this Extension 6(ae)), may be applied to either one or two other extensions in any one loss occurrence. In the event that claim is made under this Catch-All Clause, the insured shall elect which other eligible extension or which two other eligible extensions shall receive the benefit of this Catch-All Clause.

7. PREMIUM ADJUSTMENT:

If, within six months after the expiry date or anniversary date of each Period of Coverage, the Insured shall file with the Insurer a Premium Adjustment Application Form, showing, for the said period, the actual cash value of the "Stock" insured on the last day of each month at each location as commented on by the Insured's accountants, the actual premium for the said period shall then be calculated at the rate applying to each location for the average amount of the total values declared. If the premium paid by the Insured exceeds the actual premium thus calculated, the Insurer shall refund to the Insured any excess paid, subject to a maximum refund of 50% (fifty percent) of the premium paid. In the event of any monthly declared values being in excess of the limit of liability, the amount of the excess shall not be included in the premium adjustment calculations.

8. VALUATIONS:

For the purposes of calculating the total value of the property for the application of the Co-insurance Clause, value reporting and for loss adjustment, the following valuation shall apply:

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 have cost to
b) repair or replace with material of like kind and quality;
c) on sold Stock - the selling price after allowance for discounts;
on property of others in the care, 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
d) materials expended to such time;
e) on records and Tenant's Improvements - as defined hereafter;
on all other property insured under this Form and for which no more specific conditions have been set out - the actual cash value at the time the loss or damage occurs, but in no event to exceed what it would then cost to repair or replace with material of like kind and quality.

9. SPECIAL BASIS OF SETTLEMENT:

a) **Tenant's Improvements:** If Tenant's Improvements are not repaired or replaced, the liability of the Insurer shall not exceed 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.

10. RECORDS:

The liability of the Insurer for loss or damage to:

a) books of account, drawings, card index systems and other records, other than described in (b) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;
b) Media, data storage devices, and 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.

11. PROPERTY OF OTHERS:

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

12. DEFINITIONS:

a) "Stock" means:

i. merchandise of every description;
ii. packing, wrapping and advertising materials;
iii. similar property belonging to others which the Insured is under obligation to insure or for which the Insured is legally liable;

b) "Equipment" means furniture, furnishings, fittings, fixtures, machinery, tools, utensils, appliances, and generally all Contents other than Stock and property included in (a) above. "Equipment" also includes, at the option of the Insured, personal property of officers and employees of the Insured or others not otherwise insured.;

c) "Tenant's Improvements" means Building improvements, alterations, and betterments made at the expense of the Insured to a Building occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such Building. If the Insured purchased the use interest in Tenant's Improvements made by a predecessor tenant, this Form applies as though such Tenant's Improvements had been made at the expense of the Insured;

d) "Contents" means "Stock" and "Equipment" and "Tenant's Improvements" as defined above;

e) "Building(s)" means the building(s) specified in the Declarations and fixed structures pertaining to the building(s) and located on the Premises, and includes:

i. additions and extensions communicating therewith;
ii. permanent fittings and fixtures attached to and forming part thereof;
iii. materials, Equipment and supplies on the Premises for maintenance of, and normal repairs and minor alterations to the Building(s) or for Building services;
iv. at the option of the Insured, and without increasing the limit(s) of liability specified in the Declarations, and only in respect of residentially occupied Building(s) (excluding Strata Corporations and Co-Operatives): landlord's permanent fittings and fixtures (excluding furniture and furnishings of furnished suites or apartments) and generally everything pertaining to the structure of the Building(s) or connected therewith; also heating and cooking apparatus, electrical fixtures and Equipment, blinds, refrigerators, fuel, summer and winter doors, screens, awnings and shutters belonging to the Building(s), including fencing;
v. Roads, paving, sidewalks, fencing, lighting, hydrants, transformers and any other assets a Strata Corporation may be responsible for.

f) "All Property" means "Building(s)" and "Contents";

g) "Premises" means the entire area within the property lines at the location(s) herein described, including areas under adjoining sidewalks and driveways, and in the open within 304.8 metres (1000 feet) thereof;

h) "Fire Protective Equipment" includes tanks, water-mains, hydrants, valves and any other Equipment, whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:

i. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
ii. any water-mains or appurtenances located outside of the described Premises and forming a part of the public water distribution system;
iii. any pond or reservoir in which water is impounded by a dam;

i) "Burglary" means the wrongful abstraction of property insured from within Building(s) by a person or persons making wrongful entry therein or exit therefrom by actual force and violence as evidenced by visible marks at the place of such entry or exit;

j) "Robbery" means:

i. the felonious and forcible taking of insured property
(1) by violence inflicted upon a Messenger or Custodian, or by putting the Messenger or Custodian in fear of violence;
(2) by any other overt felonious act committed in the presence of a Messenger or Custodian and of which he was cognizant at the time, provided such act is not committed by an officer, partner or Employee of the Insured;

ii. the felonious and forcible taking of insured property from a Messenger or Custodian who while having custody of the insured property has been killed or physically disabled by injuries inflicted maliciously or sustained accidentally;

iii. the felonious taking of insured property
(1) from within the Premises by means of compelling a Messenger or Custodian by violence or threat of violence while outside the Premises to admit a person into the Premises or furnish them with means of ingress into the Premises
(2) from a show window within the Premises while regularly open for business by a person who has broken the glass thereof from outside the Premises;

k) "Safe Burglary" means the felonious abstraction of (1) a safe from within the Premises; or (2) insured property from within a vault or safe located within the Premises by a person making a felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by a least one combination or time lock thereon, provided that such entry shall be made by actual force and violence of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon the exterior of (a) all said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or (b) the top, bottom, or walls of such vault or such safe and any vault containing the safe through which entry is made if not made through such doors;

l) "Messenger" means the Insured, a partner therein or an officer thereof, or any other person who is in the regular employ of and duly authorized by the Insured to have the care and custody of the insured property outside the Premises;

m) "Custodian" means the Insured, a partner therein or an officer thereof, or any other person who is in the regular employ of and duly authorized by the Insured to have the care and custody of the insured property within the Premises. In no event shall a person while acting as a watchman, janitor or porter be considered a Custodian;

n) "Employee" means any natural person (except a director or trustee of the Insured, if a corporation, who is 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, including persons hired through an intervening employment agency or employer, during the Period of Coverage 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.

o) "Guard" means any able-bodied person who accompanies a Messenger by direction of the Insured, but who is not a driver of a public conveyance;

p) "Banking Premises" means the interior of that portion of any Building which is occupied by a banking institution in conducting its business;

q) "Money" means currency, coin, bank notes, and bullion;

r) "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 (including, but not limited to lottery tickets), but does not include Money;

s) "Fraudulent or Dishonest Acts" means only fraudulent or dishonest acts committed by an Employee of the Insured with the manifest intent:

i. to cause the Insured to sustain such loss; and

ii. to obtain financial benefit for the Employee, or for any other person or organization intended by the Employee to receive such benefit other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing , pensions or other Employee benefits earned in the normal course of employment.

APPLICABLE ONLY WHEN DESIGNATED ON THE DECLARATION PAGE

1. The "Limit(s) of liability" stated in the Declarations for this form is the limit on the rent or rental value of the building(s) and its additions and extensions communicating and in contact therewith but only while occupied, constructed and situate as described in the Declarations.

2. **MEASURE OF RECOVERY:** The measure of recovery in the event of loss hereunder shall be:
   a) the reduction in "gross rent and rental value" directly resulting from being untenantable solely and directly due to destruction or damage by the perils insured against to the building(s) described in the Declarations; and

   b) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Rentals which, but for the expenditure, would have taken place during the Indemnity Period in consequence of the destruction or damage, but not exceeding the loss of Gross Rentals thereby avoided,

   less any sum saved during the Indemnity Period in respect of Costs as may cease or be reduced in consequence of the damage, PROVIDED that if the sum insured is less than the amount of the Annual Gross Rentals, the amount payable shall be proportionately reduced.

3. **INDEMNITY PERIOD:** The period beginning with the occurrence of the destruction or damage and ending not later than the expiration of the period specified in the Declarations for this form as "Indemnity period in months" during which the Gross Rentals shall be affected in consequence of the destruction or damage.

4. **DEFINITIONS:**
   a) **Gross Rentals** means the money paid or payable to the Insured by tenants in respect of rental of the premises;

   b) **Annual Gross Rentals** means the Gross Rentals during the 12 (twelve) months immediately before the date of the destruction or damage;

   c) **Standard Gross Rentals** means the Gross Rentals during that period in the 12 (twelve) months immediately before the date of the destruction or damage, or which corresponds with the Indemnity Period;
   to which, in respect of (b) and (c) above, such adjustments shall be made as may be necessary to provide for the trends of, variations in or special circumstances affecting Gross Rentals either before or after the destruction or damage or which would have affected Gross Rentals had the destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly, as may be reasonably practicable, the results which but for the destruction or damage would have been obtained during the relative period after the destruction or damage.

5. **PROVISIONS:**
   a) If during the Indemnity Period services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such services shall be brought into account in arriving at the Gross Rentals during the Indemnity Period.

   b) The liability of the Insurer shall, in no case, exceed the limit(s) specified in the Declarations.

   c) On the happening of any destruction or damage in consequence of which a claim is or may be made under this Policy, the Insured shall with due diligence and dispatch do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any interruption of or interference with Gross Rentals or to avoid or diminish the loss.

   d) The Insurer shall be liable for actual loss sustained hereunder, during the period of time, not exceeding two consecutive weeks from the date when, as a direct result of the peril(s) insured against, access to the premises is prohibited by order of civil authority.

   e) The Insurer shall not be liable for any loss due to fines or damages for Breach of Contract, or for any penalties of whatever nature.

APPLICABLE ONLY WHEN DESIGNATED ON THE DECLARATION PAGE

Unless otherwise specified in the Declarations, for a specific Form or for a specific location or for a specific property insured, coverage under the property section of the Policy is extended to cover loss or damage caused by Earthquake: Each loss caused by earthquake shall constitute a single claim hereunder, provided that more than one earthquake shock occurring within any 168 (one hundred and sixty-eight) hours during the term of this Policy shall be deemed a single earthquake within the meaning hereof. Notwithstanding the foregoing, the Insurer shall not be liable for any loss or damage caused by any earthquake shock occurring before this extension becomes effective nor for any loss or damage caused by any earthquake shock occurring after the expiration of this Policy.

This extension DOES NOT COVER loss or damage:

(i) caused directly or indirectly by any of the following perils whether or not caused by or attributed to earthquake: explosion, theft, flood of any nature, waves, tidal waves, tsunami, high water, waterborne objects or ice;

(ii) caused by neglect of the Insured to use all reasonable means to save and preserve the property during and after an earthquake;

(iii) caused by wind, hail, rain, or snow unless the building(s) insured under this Policy or containing property therein shall sustain an actual damage to the roof or walls by direct force of an earthquake, and the Insurer shall then be liable only for such loss or damage to the property as may be caused by wind, hail, rain, or snow entering the building(s) through openings in roof or walls as the direct result of an earthquake.

The Insurer is not liable for more than that portion of any loss or damage covered by this extension which the applicable amount of the Policy bears to the total amount of insurance covering against the peril of fire irrespective of whether or not such other insurance gives insurance in respect of the peril covered by this extension whether by endorsement thereto or otherwise. If the Policy covers two or more items, this provision shall apply to each of them separately; However, in no event shall the insurer be liable for more than the Limit of Liability, stated in the Declarations for this form, in respect of any one loss occurrence.

DEDUCTIBLE CLAUSE - EARTHQUAKE: The Insurer is liable for the amount by which loss or damage caused by earthquake, in any one occurrence, exceeds the percentage (stated in the Declarations as "Deductible Percentage") of the actual cash value (or, for those items subject to the Replacement Cost provisions of the Policy, the Replacement Cost) of the insured property or interest, subject always to any minimum deductible (expressed as a dollar amount) stated in the Declarations as "Deductible minimum amount".

APPLICABLE ONLY WHEN DESIGNATED ON THE DECLARATION PAGE

Unless otherwise specified, in the Declarations, for a Specific Form or for a specific location or for a specific property insured, coverage under the Property Section of the Policy is extended to cover loss or damage caused by Flood: Meaning waves, tides, tidal waves, tsunami, or the rising of, the breaking out or the overflow of any body of water whether natural or man-made.

If a Limit of Liability is stated in the Declarations for this Form, the Insurer shall not be liable for more than the declared limit in respect of any one loss occurrence.

DEDUCTIBLE CLAUSE - EXCEPT EARTHQUAKE: Unless otherwise provided for elsewhere in the Policy, the Insurer is liable only for the amount by which the loss or damage caused by any of the perils insured against (except Earthquake) exceeds the amount stated in the Declarations for the applicable form as "Deductible" in any one occurrence. If "Special deductible" is indicated in the Declarations, the Insurer is liable only for the amount by which the loss or damage caused by the perils to which the special deductible applies exceeds the amount stated in the Declarations for the applicable form as "Special deductible." This Deductible Clause shall apply separately to each location described in the Declarations. Should any occurrence give rise to the application of more than one deductible amount for any one location in this Section of the Policy, then only the highest single deductible amount will be applied.

1. This Policy does not insure:

   i) "Data";

   ii) loss or damage caused directly or indirectly by "Data problem".

   However, if loss or damage caused by "Data problem" results in the occurrence of further loss of or damage to property insured that is directly caused by the following "Named Perils":
   - fire;
   - explosion;
   - smoke;
   - leakage from fire protective equipment;
   then this exclusion ii) shall not apply to such resulting loss or damage.

2. Any clause or part thereof in this Policy excluding loss due to disturbance or erasure of electronic recording by electric or magnetic injury except by lightning, is deleted.

3. Any clause of this Policy limiting the liability with respect to Records is amended to read as follows:

   Records
   The liability of the Insurer for loss or damage to:

   i) books of accounts, drawings, card index systems and other records, other than as described in ii) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;

   ii) media, data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment, notwithstanding that "Data" is not insured, shall not exceed the cost of reproducing such media, data storage devices, and programme devices from duplicates or from originals of the previous generation of the media, but no liability is assumed hereunder for the cost of gathering or assembling information or "Data" for such reproduction.

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

4. If any business interruption, loss of income or revenue, loss of rents, extra expense and any other similar forms of coverage are provided by this Policy then:

   i) Subject to ii) and iii) following, the Insurer shall not be liable for extra expenses, loss of business income or revenue, loss of rents or any other loss attributable to the interruption of business directly or indirectly caused by "Data problem".

   ii) If "Data problem" results in direct physical loss of or damage to property insured at the insured "premises" caused by the following "Named Perils" :
   - fire;
   - explosion;
   - smoke;
   - leakage from fire protective equipment ;

   exclusion 4. i) shall not apply to resulting extra expenses, loss of business income or revenue, loss of rents or any other loss attributable to the interruption of business suffered through such resulting loss or damage.

   iii) Exclusion 4 i) shall not apply if "Data problem" is the direct result of the following "Named Perils":
   - fire;
   - lightning;
   - explosion;
   - impact by aircraft, spacecraft or land vehicle;
   - smoke;
   - leakage from fire protective equipment;
   - windstorm or hail,
   at the insured "premises"

5. Definitions:

   "Data" wherever used in the Policy, means representations of information or concepts, in any form.

   "Data problem" means:
   - erasure, destruction, corruption, misappropriation, misinterpretation of "Data";
   - error in creating, amending, entering, deleting or using "Data", or
   - inability to gain access to, receive, transmit or use "Data".

All other terms and conditions of the Policy remain unchanged

1. This policy does not insure loss or damage caused directly or indirectly, in whole or in part, by "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

   This exclusion shall not apply to any ensuing loss or damage which results directly from the following "Named Perils" : fire or explosion.

2. The Insurer shall not be liable for extra expenses, loss of business income or revenue, loss of rents or any other loss attributable to the interruption of business, provided such coverage is currently included in the policy to which this endorsement is attached, resulting from loss or damage caused directly or indirectly, in whole or in part, by "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

3. Definition :

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

All other terms and conditions of the Policy remain unchanged.

1. This policy does not insure:

   (a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any **fungi** or **spores** unless such **fungi** or **spores** are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy ;

   (b) the cost of expense for any testing, monitoring, evaluating or assessing of **fungi** or **spores.**

2. The Insurer shall not be liable for extra expenses, loss of business income or revenue, loss of rents or any other loss attributable to the interruption of business, provided such coverage is currently included in the policy to which this endorsement is attached, resulting from:

   (a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any **fungi** or **spores** unless such **fungi** or **spores** are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy;

   (b) the cost or expense for any testing, monitoring, evaluating or assessing of **fungi** or **spores.**

3. Definitions :

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

   Spores includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "Fungi".

All other terms and conditions of the Policy remain unchanged.

APPLICABLE ONLY WHEN DESIGNATED ON THE DECLARATION PAGE

1. **Insuring Agreement:** The Insurer agrees to indemnify the Insured for all loss or damage, caused by accidental breakage, to all exterior or interior glass set in frames, sashes or bars, and to lettering, ornamentation, tape or foil attached thereto, installed at the premises described in the Declarations.

2. **Limit of liability:** The Insurer's liability is limited to the actual cost of replacement, including installation charges, of such glass, lettering, ornamentation, tape and foil at the time of the breakage, not exceeding the "Limit of liability" (if any) stated in the Declarations for this form.

3. **Exclusions:**
   The Insurer shall not be liable for loss or damage:
   a) caused by fire in the Insured's premises or elsewhere;
   b) caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
   c) during construction of, alteration or addition to the premises described in the Declarations other than ordinary repair or maintenance;
   d) while the premises containing such glass is, to the knowledge of the Insured, vacant or unoccupied for more than thirty consecutive days or being a manufacturing premises ceases to be operated and continues out of operation for more than thirty consecutive days;

4. **Reinstatement:** Upon replacement of any glass, lettering, ornamentation, tape or foil insured hereunder or payment therefor by the Insurer, the insurance hereunder shall continue automatically as respects the new glass, lettering, ornamentation, tape or foil to the end of the Period of Coverage, without additional premium.

5. **Deductible:** Each claim for loss or damage shall be adjusted separately and from the amount of each such adjusted claim the amount stated in the Declarations for this form as "Deductible" shall be deducted.

STANDARD CONDITIONS

1. **Declarations:** By acceptance of this Policy, the Named Insured agrees that the statements in the Declarations are his agreements and representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between himself and the Insurer or any of its agents relating to this insurance.

2. **Ownership of Property Insured:** The property covered hereby may be owned by the Insured or held by him in any capacity, whether or not the Insured is liable for such loss or damage as is covered hereby, provided that the Insurer shall not be liable for such damage to the premises unless the Insured is the owner thereof or is liable for such damages thereto.

3. **Changes:** Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Insurer from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.

4. **Assignment:** Assignment of interest under this Policy shall not bind the Insurer until its consent is endorsed hereon; if, however, the Named Insured shall die or be adjudged bankrupt or insolvent within the Period of Coverage, this Policy, unless cancelled, shall, if written notice be given to the Insurer within sixty days after the date of such death or adjudication, cover the Named Insured's legal representative as the Named Insured.

5. **Inspection:** The Insurer shall be permitted to inspect the premises at any reasonable time.

6. **Payments and Replacements:** The Insurer shall replace, without unnecessary delay, any broken glass and any lettering or ornamentation, tape or foil thereon insured hereunder, or pay for the same in money within the limits provided herein, as the Insurer may elect. In either case the broken glass shall be the property of the Insurer. Whenever necessary, the Insured, at his own expense, shall remove and replace any fixtures or other obstructions to the replacement of the glass.

7. **Notice of Breakage:** Written notice of any damage covered hereby, with full particulars so far as can be determined, shall be given to the Insurer as soon as practicable, and the Insured shall make all reasonable efforts to preserve the glass and to prevent further damage. The Insurer may require the Insured to file affirmative proof of damage under oath on forms provided by the Insurer, together with full particulars of such damage.

8. **Other Insurance:** Where there is any other valid insurance providing indemnity for loss for which this Policy provides indemnity, the Insurer shall be liable only for its rateable portion of such loss.

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

10. **Cancellation - Termination:**

a) This Policy may be terminated

i by the Insurer giving to the Named Insured 15 days' written notice of termination by registered mail or 5 days' written notice of termination personally delivered;

ii by the Named Insured at any time on request.

b) Where the Policy is terminated by the Insurer, the Insurer will refund the excess of the paid premium for the time the Policy has been in force, calculated pro rata.

c) Where the Policy is terminated by the Named Insured, the Insurer will refund the excess of the paid premium above the short rate premium for the time the Policy has been in force calculated in accordance with the short rate premium table in use by the Insurer, subject to the retention of the minimum premium, if any, provided by the Policy.

d) Refund of premium may be made by money, postal or express company money order or by cheque payable at par.

e) The fifteen days mentioned above in this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

INSURING AGREEMENTS

1. The Insurer agrees to pay on behalf of the Insured all sums (including prejudgment interest) that the Insured shall become obligated to pay by reason of the liability imposed by law upon the Insured or assumed by the Insured under contract (as defined herein), for compensatory damages because of:

(a) bodily injury (as defined herein) sustained by any person or persons;
(b) personal injury (as defined herein);
(c) property damage (as defined herein) due to an accident or occurrence (as defined herein).

during the Period of Coverage, subject to the limits of liability, exclusions, conditions and other terms contained herein.

2. LIMIT OF LIABILITY

The combined limit of the Insurer's liability under Sub-Section 1(a), 1(b) and 1(c) of the Insuring Agreements of this Policy shall be the amount stated in the Declarations as for this form as "Limit of liability - Each accident or occurrence" for all compensatory damages for any one accident or occurrence, or series of accidents or occurrences, resulting from one cause, and subject to such limit, the amount stated in the Declarations for this form as "Limit of liability - Aggregate" for any number of accidents or occurrences in any one Period of Coverage, if caused by the Products Hazard and Completed Operations Hazard as defined herein.

3. ADDITIONAL AGREEMENTS

With respect to the insurance afforded by the other terms of this Policy, the Insurer agrees:

(a) to defend in the name of and on behalf of the Insured, claims, suits or other proceedings that may at any time be instituted against the Insured for any occurrence covered by this Policy, although such claims, suits, proceedings or allegations and demands may be groundless, false or fraudulent; or to make settlement of such claims as may be deemed expedient by the Insurer, or if the Insurer is prevented by law or otherwise from defending the Insured as aforesaid, the Insurer will reimburse the Insured for defense costs and expenses incurred with the consent of the Insurer;
(b) to pay and satisfy all judgements rendered against the Insured and to protect the Insured against any levy of execution arising therefrom;
(c) to pay:

(i) all expenses incurred by the Insurer for investigation, negotiation and defense of any such claim or proceedings;
(ii) all costs taxed against the Insured in any such proceeding;
(iii) all premiums on Bonds to release charges or attachments for an amount not in excess of the applicable limit of liability of this Policy and all premiums on Appeal Bonds required in any such defended suit, but without any obligation to apply for or furnish such Bonds;
(iv) all interest accruing after entry of judgement and up to the date of payment by the Insurer of its share of any judgement;
(v) for the expenses incurred by the Insured for such immediate medical and surgical relief to others as shall be imperative at the time such bodily injury is sustained:
(vi) for all reasonable expenses incurred at the Insurer's request;

and the amounts so incurred, except settlement of claims and suits, are payable by the Insurer in addition to the limit of liability in this Policy.

4. TERRITORY

The coverage provided by this Policy shall apply anywhere in the world, provided that all claims, demands and suits are brought within Canada or the United States of America, its territories and possessions.

EXCLUSIONS

Coverage provided by this Policy is subject to the following exclusions:

1. This insurance does not apply under Insuring Agreements 1(a) and 1(c) to claims arising out of the ownership, use or operation by or on behalf of the Insured of any automobile (as defined herein), but this exclusion will not be construed to apply to liability imposed by law upon the Insured for loss or damage arising from the ownership, use or operation of machinery or apparatus (including its equipment), mounted on or attached to any automobile at the site of the use or operation of such machinery or apparatus and provided the Insured is not insured for liability arising from the ownership, use or operation of such attached machinery under any automobile policy.

2. This insurance does not apply under Insuring Agreements 1(a) and 1(c) to claims arising out of:

(a) **(i)** the ownership, maintenance, use or operation by or on behalf of the Insured of any aircraft or any air cushion vehicle;
(ii) the ownership, maintenance, use or operation by or on behalf of the Insured of any premises for the purpose of an airport or an aircraft landing area:
(iii) all operations that are necessary or incidental to (i) or (ii) above;
(iv) work or operations conducted by or on behalf of the Insured at airport premises or airport property (including but not limited to any runway, hangar, taxiway, apron, or air traffic control facility), but this exclusion shall not apply to such work or operations in Canada that are conducted solely within an area that is inside a passenger terminal building and that is not designated by Transport Canada (or other airport regulatory authority) as a restricted area.

(b) the ownership, maintenance, use or operation by or on behalf of the Insured of any self-propelled watercraft of more than 100 gross registered tons but this exclusion does not apply to watercraft while ashore on premises owned by, rented to or controlled by the Insured.

Exclusions 1 and 2(b) do not apply to bodily injury sustained by any employees of the Insured while acting on behalf of the Insured.

3. This insurance does not apply under Insuring Agreement 1(a) to claims arising out of:

(a) the liability imposed upon or assumed by the Insured under any Workers' Compensation Statute or assessment by any Workers' Compensation Board or any liability in respect of employees assumed by the Insured under contract, except this exclusion shall not apply to claims arising out of legal liability imposed upon the Insured at common law or at common law as extended by statute for injuries to employees of the Insured;
(b) bodily injury caused intentionally by or at the direction of the Insured, unless committed for the purpose of protecting persons or property.

4. This insurance does not apply under Insuring Agreements 1(a) and 1(c) to claims arising out of:

(a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
(b) the pollution of the atmosphere, water or land except for:
(**i**) loss or damage where such pollution is caused by a sudden, unintended and unexpected happening,
(ii) loss or damage arising out of the products hazard (as defined herein).

5. This insurance does not apply under Insuring Agreement 1(c) to claims for property damage to:

(a) property owned or occupied by or rented to the Insured, property held by the Insured for sale or property entrusted to the Insured for storage or safekeeping;
(b) except with respect to liability under sidetrack agreements covered by this Policy, or the use of elevators or escalators at premises owned, rented or controlled by the Insured, or liability assumed under any easement agreement or agreement required by Municipal by- law:
(i) property while on premises owned by or leased to the Insured for the purpose of having operations performed on such property by or on behalf of the Insured;
(ii) tools or equipment while being used by the Insured in performing his operations;
(iii) property that is in course of construction by the Insured or property in the custody of the Insured that is to be installed, erected or used in construction by the Insured;
(iv) that particular part of any property, not on premises owned by or rented to the Insured:
(A) upon which operations are being performed by or on behalf of the Insured at the time of the property damage thereto, arising out of such operations; or
(B) out of which any property damage arises; or
(C) the restoration, repair or replacement of which has been made or is necessary by reason of faulty workmanship thereon by or on behalf of the Insured.

6. This insurance does not apply under Insuring Agreement 1(c) to claims for property damage to:

(a) goods or products manufactured or sold by the Insured; or
(b) work done by or on behalf of the Insured where the cause of the occurrence is a defect in such work, but this exclusion shall only apply to that part of such work that is defective.

7. This insurance does not apply under Insuring Agreement 1(c) to claims arising from loss of use of tangible property that has not been physically injured or destroyed resulting from:

(a) a delay in or lack of performance by or on behalf of the Insured of any contract or agreement; or
(b) the failure of the Insured's products or work performed by or on behalf of the Insured to meet the level of performance, quality, fitness or durability warranted or represented by the Insured, but this exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the Insured's products or work performed by or on behalf of the Insured after such products or work have been put to use by any person or organization other than an Insured.

8. This insurance does not apply to damages, cost, loss or expense claimed for the withdrawal, inspection, repair, replacement, or loss of use of the Insured's products or work completed by or for the Insured or of any property of which such products or work forms a part, if such products, work or property is withdrawn from the market or withdrawn from use because of any known or suspected defect or deficiency therein.

9. This insurance does not apply:

(a) to liability imposed by or arising under the Nuclear Liability Act; nor
(b) to bodily injury or property damage with respect to which an Insured under this Policy is also insured under a contract of Nuclear Energy Liability Insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an Insured under any such Policy but for its termination upon exhaustion of its limit of liability; nor
(c) to bodily injury or property damage resulting directly or indirectly from the Nuclear Energy Hazard arising from:

(i) the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an Insured;
(ii) the furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; and
(iii) the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material except for radioactive isotopes, away from a nuclear facility, that have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

10. This insurance does not apply to the rendering of or failure to render any professional service except:

(a) such services performed by an architect or an engineer in their capacity as employees of the Insured where such services are an integral part of other work performed by or on behalf of the Insured or are integral in the manufacture, installation, sale, handling or distribution of the Insured's products or the products of any associated or affiliated company, however this exception shall not apply in respect to damage to any work completed by or on behalf of the Insured or damage to the Insured's products;
(b) the services rendered by first aid personnel.

DEFINITIONS

1. The unqualified word "Insured" includes the Named Insured and any interest under the management control of the Named Insured, or for which the Named Insured is responsible for arranging insurance and also includes:

(a) any present or former partner, officer, director, employee or shareholder while acting on behalf of the Insured with respect to acts performed on behalf of the Insured in that capacity and any partner or former partner with respect to liability arising out of his partnership or former partnership, and "acts performed" shall include failure or omission to act;
(b) any company created or acquired by the Named Insured provided the Insurer is notified within 90 days of such creation or acquisition;
(c) each person, firm, corporation or government body for whom the Insured has contracted to provide insurance but only with respect to liability that arises out of the operations of the Insured, and only to the extent required by such contract. Notice of cancellation shall be provided (when cancelled by the Insurer) to such persons, firms, corporations or government bodies in accordance with the certificates of insurance on file with the Insurer.

The insurance afforded to any employee does not apply:

(i) to bodily injury or to sickness, disease or death of (a) of the Named Insured or, if the Named Insured is a partnership or joint venture, any partner or member thereof; or (b) any person who at the time of the injury is entitled to benefits under any Workers' Compensation Act;
(b) to injury or destruction of property owned, occupied or used by, rented to or in the care, custody or control of (a) another employee of the Named Insured; or (b) the Named Insured or, if the Named Insured is a partnership or a joint venture, any partner or member thereof.

2. "Bodily Injury" means bodily or mental injury, sickness, disease, disability, shock, including death at any time resulting therefrom, and compensatory damages for care and loss of services incidental thereto.

3. "Personal Injury" means:

(a) false arrest, malicious prosecution, wrongful detention or imprisonment;
(b) invasion of privacy, wrongful eviction or wrongful entry;
(c) libel, slander, humiliation or defamation of character;
(d) discrimination, except in such jurisdictions where by legislation, court decisions or administrative ruling, such Insurance is prohibited or held to violate the law or public policy of any such jurisdiction, sustained by any person or persons during the Period of Coverage.

Provided always that the Insurer shall not be liable for claims arising out of personal injury:

(i) caused by the willful violation of a penal statute or ordinance;
(ii) caused by acts committed in connection with advertising, broadcasting or telecasting by or in the interest of the Insured.

4. "Property Damage" means physical injury to or physical destruction of tangible property, including loss of use thereof, or loss of use of tangible property that has not been physically injured or destroyed.

5. "Occurrence" as used in Insuring Agreement 1(c) of this Policy means a continuous or repeated exposure to conditions that result in property damage neither expected nor intended by the Insured.

All property damage arising out of a continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

6. "Contract" means:

(a) a warranty of fitness or quality of the Insured's products or a warranty that work performed by or on behalf of the Insured will be done in a workmanlike manner;

(b) any written contract or written agreement or any other oral or verbal contract or agreement that is in the process of being written provided that it is in writing within 90 days of its inception.

7. **(a)** "Products Hazard" includes bodily injury or property damage arising out of any accident or occurrence that takes place away from the Insured's premises due to the consumption, handling, use or existence of goods or products made, sold, handled or distributed by or for the Insured after the Insured had relinquished possession of such goods or products;

(b) "Completed Operations Hazard" includes bodily injury or property damage arising out of operations, but only if the bodily injury or property damage occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the Insured. Operations include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

(i) when all operations to be performed by or on behalf of the Insured under the contract have been completed;

(ii) when all operations to be performed by or on behalf of the Insured at the site of the operations have been completed;

(iii) when the portion of the work out of which the bodily injury or property damage arises has been put to its intended use by any persons or organizations other than another contractor or sub-contractor engaged in performing operations for a principal as a part of the same project.

Operations requiring further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete shall be deemed completed.

The Completed Operations Hazard shall not include:

(i) operations in connection with the pick-up and delivery of property

(ii) the existence of tools, uninstalled equipment or abandoned or unused materials.

8. The word "Automobile" means a motor vehicle, trailer, semi-trailer or other self-propelled vehicle that is obliged by law to carry a license.

9. The term "Nuclear Energy Hazard" means the radioactive, toxic, explosive or other hazardous properties of radioactive material.

10. **(a)** The term "Radioactive Material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes or 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.

(b) The term "Fissionable Substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

11. The term "Nuclear Facility" means:

(a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;

(b) any equipment or device designed or used for:

(i) separating the isotopes of plutonium, thorium, and uranium or any one or more of them;

(ii) or processing the utilizing spent fuel; or

(iii) handling, processing or packaging waste;

(c) any equipment or device used for the processing, fabrication, or alloying of plutonium, thorium and uranium 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;

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.

GENERAL CONDITIONS

1. **NOTICE OF CLAIM OR SUIT:** Upon the happening of an accident or occurrence that may give rise to a claim hereunder, the Insured shall give notice thereof to the Insurer as soon as practicable after notice has been received by an Officer of the Insured.

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

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

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

3. **ASSUMPTION OF LIABILITY:** The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expenses other than for first aid to others at the time of accident.

4. **ACTION AGAINST INSURER:** No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, nor until the amount of the Insured's obligation to pay shall have been finally determined either by judgement against the Insured after actual trial, or by written agreement of the Insured, the claimant and the Insurer. Every action or proceeding against the Insurer shall be commenced within one year of the date of such judgement or written agreement and not afterwards. Nothing contained in this Policy shall give any person or organization any right to join the Insurer as a co-defendant in any action against the Insured to determine the Insured's liability.

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

5. **PREMIUM AND ADJUSTMENT OF PREMIUMS:**

   (a) Unless indicated as "Flat rate premium", the premium stated in the Declarations for this Form is an estimated deposit premium only. Adjustment of premium shall be made at least annually and for this purpose the premium bases and rates shown in the Declarations for this form as "Basis of premium adjustment" shall be used in ascertaining the earned premium with respect to the specific hazards mentioned herein.

   (b) In the case of any hazards existing and covered under coverage rider(s) attached but not specified in the Declarations, or in any endorsement, the earned premium with respect thereto shall be computed in accordance with the Insurer's rules, rates, rating plans and minimum premiums applicable to such hazards.

   (c) Subject to the retention by the Insurer of the amount stated in the Declarations for this form as "Minimum annual premium", if the earned premium for this Policy thus computed exceeds the estimated deposit premium paid, the Insured shall pay such excess to the Insurer; on the other hand, if the estimated deposit premium exceeds the earned premium, the Insurer shall return to the Named Insured such excess.

   (d) The Named Insured shall maintain for each hazard hereby insured against, a record of the information necessary for premium computation on the basis stated and shall submit such record to the Insurer at the end of the Period of Coverage and at such other times during the Period of Coverage as the Insurer may direct.

6. **INSPECTION AND AUDIT:**

   (a) The Insurer shall be permitted but not obligated to inspect the Insured's property and operations but neither the Insurer's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of the Insured or others to determine or warrant that such property or operations are safe.

   (b) The Insurer may examine and audit the Insured's books and records at any time during the Period of Coverage and extensions thereof and within three years after the final termination of this Policy, as far as they relate to the subject matter of this insurance.

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

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

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

9. CANCELLATION - TERMINATION:

(a) This Policy may be terminated;

(i) in the event of non-payment of premium by the Named Insured to the Insurer, by the Insurer giving to the Named Insured 15 days written notice of termination by registered mail or 5 days written notice by personal delivery;

(ii) except in the event of termination for non-payment of premium, by the Insurer giving to the Named Insured 30 days written notice of termination by registered mail or personal delivery;

(iii) by the Named Insured at any time on written request.

(b) Where the Policy is terminated by the Insurer;

(i) and where the premium is developed on other than an estimated basis, the Insurer will refund the excess of the paid premium for the time the Policy has been in force, calculated pro rata; or

(ii) where the premium is developed on an estimated basis, the Insurer will refund the excess of the premium above the premium earned, when determined.

(c) Where the Policy is terminated by the Named Insured;

(i) and where the premium is developed on other than an estimated basis, the Insurer will refund the excess of the paid premium above the short rate premium for the time the Policy has been in force calculated in accordance with the short rate premium table in use by the Insurer, and except in Quebec, subject to the retention of the minimum retained premium, if any, provided by the Policy; or

(ii) where the premium is developed on an estimated basis, the Insurer will refund the excess of the paid premium above the premium earned, when determined, and except in Quebec, subject to the retention of the minimum retained premium, if any, provided by the Policy.

(d) Refund of premium may be made by money, postal or express company money order or by cheque payable at par.

(e) Except in Quebec, the 15 days or 30 days mentioned above in this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

(f) In Quebec, the Notice of Cancellation from the Insurer takes effect 15 days or 30 days after receipt by the Insured at the last know address.

(g) Premium adjustment may be made at the time cancellation is effected and if not then made shall be made as soon as practicable after cancellation becomes effective but payment or tender of unearned premium is not a condition of cancellation.

(h) In this condition the expression "paid premium" means premium actually paid by the Insured to the Insurer and does not include any premium or part thereof paid to the Insurer by an Agent unless actually paid to the Agent by the Insured.

10. WAIVER: No notice to any Agent or knowledge possessed by any Agent or by any other person shall be held to effect a waiver or change in any part of this Policy; nor shall the terms of this Policy be waived or changed except by endorsement issued to form a part hereof.

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

12. SPECIAL STATUTES: If any condition of this Policy, relating to limitation of time for notice of accident or for instituting legal proceedings, is at variance with any specific Statutory Provision in the Province in which the accident occurs such Statutory Provision shall be substituted for such condition.

13. CROSS LIABILITY: The insurance as is afforded by this Policy shall apply in respect to any claim or action brought against any one Insured by any other Insured. The coverage shall apply in the same manner and to the same extent as though a separate Policy had been issued to each Insured. Any breach of a condition of this Policy by any Insured shall not affect the protection given by this Policy to any other Insured. The inclusion herein of more than one Insured shall not operate to increase the limit of liability under this Policy.

14. DEDUCTIBLE CLAUSE: The Insured shall pay the amount stated in the Declarations for this form as "Deductible" or "Deductible - U. S. claims" for each and every claim under Insuring Agreement 1(c) (Property Damage). If more than one claim arises or results from a single occurrence, as defined herein, the deductible amount shall only apply once.

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

The Insurer may pay part or all of the deductible amount to effect settlement of any claim or suit, 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.

15. REIMBURSEMENT CLAUSE: In the event a claim payment is made by the Insurer, the Insured shall reimburse the Insurer up to the amount stated in the Declarations for this form as "Reimbursement" or "Reimbursement - U. S. claims" with respect to all claims, legal fees and adjusting expenses combined in any one accident or occurrence, and the Insurer shall only be liable for loss, damage or expense in excess of that amount.

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

16. CURRENCY CLAUSE: All Limits of Liability expressed in the Declarations are in Canadian currency.

IT IS HEREBY UNDERSTOOD AND AGREED THAT the Insurer will pay to or for each person who sustains bodily injury caused by accident all reasonable medical, surgical, x-ray, dental, ambulance, hospital, professional nursing and funeral services expense incurred within one year from the date of the accident on account of such bodily injury, provided such bodily injury arises out of:

(a) a condition in the insured premises, or

(b) operations with respect to which the Named Insured is afforded coverage for bodily injury liability under this policy.

The coverage granted herein shall not apply to:

(a) any portion of medical expense the payment of which is prohibited by law;

(b) bodily injury
- i) arising out of the ownership, maintenance, use or operation by or on behalf of the Insured of any automobile;
- ii) arising out of the ownership, maintenance, use, operation, loading or unloading by or on behalf of the Insured of any watercraft, but this exclusion does not apply to watercraft while ashore on premises owned by, rented to or controlled by the Named Insured;
- iii) arising out of the ownership, maintenance, use, operation, loading or unloading by or on behalf of the Insured of
  - (1) any aircraft; or
  - (2) any air cushion vehicle;
- iv) arising out of the ownership, existence, use or operation by or on behalf of the Insured of any premises for the purpose of an airport or aircraft landing strip and all operations necessary or incidental thereto;

(c) bodily injury to
- i) the Named Insured, any partner therein, any tenant or other person regularly residing on the insured premises or any employee of any of the foregoing if the bodily injury arises out of and in the course of his employment therewith, or
- ii) any other tenant if the bodily injury occurs on that part of the insured premises rented from the Named Insured or to any employee of such a tenant if the bodily injury occurs on the tenant's part of the insured premises and arises out of and in the course of his employment for the tenant, or
- iii) any person while engaged in maintenance and repair of the insured premises or alteration, demolition or construction operations at such premises, or
- iv) any person if any benefits for such bodily injury are payable under any Workmen's Compensation Law, or
- v) any person practicing, instructing or participating in any physical training, sport, athletic activity or contest;

(d) any medical expense for services by the Named Insured, any employee thereof or any person or organization under contract to the Named Insured to provide such services.

The amount stated below as "Limit each person" is the limit of the Insurer's liability for all medical expense for bodily injury sustained by one person in any one accident; the amount stated below as "Limit each accident" is, subject to the above provision respecting each person, the total limit of the Insurer's liability for all medical expenses arising out of bodily injury sustained by two or more persons in any one accident:
Limit Each Person: $ AS PER POLICY DECLARATION
Limit Each Accident: $ AS PER POLICY DECLARATION

IT IS FURTHER UNDERSTOOD AND AGREED THAT as soon as practicable the injured person or someone on his behalf shall give to the Insurer written proof of claim, under oath if required, and shall, after each request from the Insurer, execute authorization to enable the Insurer to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by the Insurer when and as often as the Insurer may reasonably require. The Insurer may pay the injured person or any person or organization rendering the services and the payment shall reduce the amount payable hereunder for such injury. Payment hereunder shall not constitute an admission of liability of any person or, except hereunder, of the Insurer.

Except as otherwise provided in this Endorsement, all Agreements, Exclusions, Definitions, and Conditions of the Policy shall have full force and effect.

S.P.F. No. 6 - Standard Non-Owned Automobile Policy

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

APPLICATION

ITEMS

1. FULL NAME OF THE APPLICANT **SEE POLICY DECLARATIONS**

   POSTAL ADDRESS
   (Including County or District) **SEE POLICY DECLARATIONS**

   Applicant is**:** **SEE POLICY DECLARATIONS**
   (State whether Individual, Partnership, Corporation, Municipality or Estate)

2. Policy Period 12.01 A.M. STANDARD TIME AT THE APPLICANT'S ADDRESS

   From **SEE POLICY DECLARATIONS** STATED HEREIN AS TO EACH OF SAID DATES

3. THE AUTOMOBILES IN RESPECT OF WHICH INSURANCE IS TO BE PROVIDED ARE THOSE NOT OWNED IN WHOLE OR IN PART BY, NOR LICENSED IN THE NAME OF THE APPLICANT, USED IN THE APPLICANT'S BUSINESS OF:

AS KNOWN TO THE INSURER

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

LOCATION	CLASS A1 Private Passenger			CLASS A2 Commercial		
	Number	Rate	Premium	Number	Rate	Premium
			AS KNOWN TO THE INSURER			

	CLASS B			CLASS C		
	Number	Rate	Premium	Number	Rate	Premium
			AS KNOWN TO THE INSURER			

5. "HIRED AUTOMOBILES" - THE AUTOMOBILES HIRED BY THE APPLICANT ARE AS FOLLOWS:

TYPE OF AUTOMOBILE	ESTIMATED COST OF HIRE	RATES PER $100 OF COST OF HIRE	ADVANCE PREMIUM

COVERED, IF ANY, SUBJECT TO PREMIUM ADJUSTMENT

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

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

TYPE OF AUTOMOBILE & DESCRIPTION OF USE	ESTIMATED CONTRACT COST	RATES PER $100 OF CONTRACT COST	ADVANCE PREMIUM

COVERED, IF ANY, SUBJECT TO PREMIUM ADJUSTMENT

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

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

INSURING AGREEMENT SECTION A THIRD PARTY LIABILITY	PERILS Legal Liability for Bodily Injury to or Death of any Person or Damage to Property of Others not in the Care, Custody or Control of the Applicant	**LIMIT $ IN ACCORDANCE WITH POLICY LIMITS**	(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.	**COMBINED PREMIUMS**
				$ INCLUDED
Endorsements				
MINIMUM RETAINED PREMIUM $			TOTAL PREMIUM	**$ INCLUDED**

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

AS KNOWN TO THE INSURER

9. STATE PARTICULARS OF ALL ACCIDENTS OR CLAIMS ARISING OUT OF THE USE OR OPERATION IN HIS BUSINESS OF NON-OWNED AUTOMOBILES BY THE APPLICANT WITHIN THE THREE YEARS PRECEDING THIS APPLICATION.

INJURY TO PERSONS	DAMAGE TO PROPERTY OF OTHERS
AS KNOWN TO THE INSURER	**AS KNOWN TO THE INSURER**

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

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

INSURING AGREEMENT

Now, Therefore, in Consideration of the payment of the premium specified and of the statements contained in the application and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated

SECTION A - THIRD PARTY LIABILITY

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

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

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

(a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or

(b) for any liability imposed upon any person insured by this Policy (Not applicable in the Province of Ontario)
   1) by any workmen's compensation law; or
   2) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or

(c) for loss or damage to property carried in or upon an automobile personally driven by any person insured by this Policy or to any property owned or rented by, or in the care, custody or control of any such person; or

(d) for any amount in excess of the limit stated in Item 7 of the application, and expenditures provided for in the Additional Agreements of this

Policy; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

ADDITIONAL AGREEMENTS OF INSURER

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

1. upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this Policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and

2. to defend in the name and on behalf of any person insured by this Policy and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and

3. to pay all costs taxed against any person insured by this Policy in any civil action defended by the Insurer and any interest accruing after entry of judgement upon that part of the judgement which is within the limits of the Insurer's liability; and

4. in the case the injury be to a person, reimburse any person insured by this Policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and

5. be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated in Section A of Item 7 of the application; and

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

AGREEMENTS OF INSURED

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

(a) by the acceptance of this Policy, constitutes and appoints the Insurer his irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the 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 INSUREDS**
   The Insurer agrees to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or employee of the Insured who, with the consent of the owner thereof, personally drives (a) in the business of the Insured 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

The Statutory Conditions for Non-Owned Automobile Insurance as set out in the Insurance Act of the Province in which this Policy covers shall form part of the Policy.

Except as otherwise provided in this Endorsement, all Agreements, Exclusions, Definitions, and Conditions of the Policy shall have full force and effect.

In consideration of the premium charged the Insurer hereby agrees, subject to the applicable "Limit(s) of liability" stated in the Declarations for this form, Exclusions, Conditions and other terms of this Form to pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as damages for injury to or destruction, including loss of use, of premises including building fixtures permanently attached thereto, rented or occupied by the Insured, if such injury or destruction is caused by accident occurring during the term of this Policy.

The amount stated in the Declarations for this form as "Deductible" shall be deducted from the amount of each claim covered under the terms of this Form and the Insurer shall be liable for loss only in excess of that amount. However, this deductible shall not be applied to claims arising out of the perils of Fire, and as defined herein, Explosion, Smoke and Sprinkler Leakage.

The Insurer shall not be liable for more than amount(s) stated in the Declarations for this form as "Limit of liability - Any one accident" for damage arising out of any one accident.

EXCLUSIONS

With regard to this Form the exclusions in this Policy are deleted and replaced by the following:

The Insurer shall not be liable for liability:

1. assumed by the Insured under contract except liability which would attach in the absence of such contract;

2. arising out of damage or destruction caused by contamination by radioactive material;

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

DEFINITIONS

1. **Explosion**
   There shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:

   a)
      i the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
      ii piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
      iii the combustion chambers of fire boxes of steam generating boilers of the Chemical Recovery type and the flues or passages which conduct gases of combustion therefrom;
      iv smelt dissolving tanks;
   b) other vessels and apparatus, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 15 pounds per square inch above atmospheric pressure, except that liability is specifically assumed for loss or damage resulting from explosion of manually portable gas cylinders;
   c) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
   d) any vessels and apparatus and pipes connected therewith while undergoing pressure test but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosion;
   e) gas turbines.

   The following are not explosions within the intent or meaning of this Section of this Policy:
   i) electric arcing or any co-incident rupture of electrical equipment due to such arcing;
   ii) bursting or rupture caused by hydrostatic pressure or freezing;
   iii) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.

2. **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 or depreciation.

3. **Sprinkler Leakage**
   The term "Sprinkler Leakage" shall mean the leakage or discharge if water or other fluid from within the equipment used solely or chiefly for fire protection purposes of the property insured and located on the premises insured or adjacent thereto, and loss or damage caused by the fall or breakage of said equipment.

The coverage afforded by this Policy to strata lot owners, tenants or occupants applies strictly to their capacity as owners, tenants or occupants of the Named Insured Strata Corporation and applies only with respect to liability arising out of common property.

This insurance does not apply to Bodily Injury, Personal Injury or Property Damage arising out of, caused by or contributed to by the personal activities or the business activities of any owner, tenant or occupant.

***When used above*:**
Strata shall also mean Condominium
Strata Lot shall also mean Condominium Unit

Except as otherwise provided in this endorsement, all Agreements, Exclusions, Definitions, and Conditions of the Policy shall have full force and effect.

Volunteers as Additional Named Insured

IT IS HEREBY UNDERSTOOD AND AGREED THAT Volunteers are included as Insureds under this Policy with respect only to the Liability imposed upon the Volunteer as a result of the operations of the Insured.

Except as otherwise provided in this Endorsement, all Agreements, Exclusions, Definitions, and Conditions of the Policy shall have full force and effect.

In consideration of the premium charged, it is understood and agreed that insuring Agreement 1(d) is hereby added to Commercial General Liability Form.

1.

(d) an injury sustained by any person or organization and arising out of libel, slander, defamation, infringement of copyright, title or slogan, piracy, unfair competition, idea misappropriation or invasion of rights of privacy committed, or alleged to have been committed, in any advertisement, publicity article, broadcast or telecast and resulting from the Insured's advertising activities.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. Coverage granted herein shall not extend to cover:

   a) liability assumed by the Insured under any contract or agreement;

   b) liability for:
      i failure of performance of written contract;
      ii infringement of registered trademark, service mark or trade name by use thereof as the registered trademark, service mark or trade name of goods or services sold, offered for sale or advertised;
      iii incorrect description of any article or commodity;
      iv mistake in advertised price;

   c) any insured in the business of advertising, broadcasting, publishing or telecasting;

   d) any injury arising out of any act committed by the Insured with actual malice.

2. It is also understood and agreed that coverage granted herein shall be included in the overall Policy Limit, and shall be limited to the amounts of $ 1,000,000 in respect of Each accident or occurrence;" and $ 1,000,000 Aggregate."

Except as otherwise provided in this Endorsement, all Agreements, Exclusions, Definitions, and Conditions of the Policy shall have full force and effect.

Pollution Exclusion Endorsement (Including Products and Completed Operations and Hostile Fire Exception)

IT IS HEREBY UNDERSTOOD AND AGREED THAT Exclusions 4(b)(i) and 4(b)(ii) of Commercial General Liability Form are deleted from the policy and are replaced by the following:

4. This insurance does not apply to:

(b) (i) Bodily Injury, Personal Injury or Property Damage caused by, contributed to, by or arising out of the actual, alleged or threatened discharge, emission, dispersal, seepage, leakage, migration, release or escape at any time of Pollutants:

(1) at or from any premises, site or location owned, rented or occupied at any time by an Insured;

(2) at or from any premises, site or location used at any time by or for an Insured or others for the handling, storage, disposal, processing or treatment of waste;

(3) at any time transported, handled, stored, treated, disposed of, or processed as waste by or for an Insured or any person or organization for whom the Insured may be legally responsible;

(4) at or from any premises, site or location on which an Insured or any contractors or subcontractors working directly or indirectly on behalf of an Insured are performing operations:

(A) if the pollutants are brought on or to the premises, site or location in connection with such operations; or

(B) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate or to assess or in any way to respond to Pollutants.

(5) if Bodily Injury or Property Damage is within the Products Hazard or the Completed Operations Hazard.

(ii) Any loss, cost or expense arising out of any governmental direction, action or request that an Insured test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate or in any way assess or respond to Pollutants.

(iii) Fines, penalties, punitive or exemplary damages arising directly or indirectly out of the actual, alleged or threatened discharge, emission, dispersal, seepage, leakage, migration, release or escape at any time of Pollutants.

(iv) Any supervision, instructions, recommendations, warnings, or advice given or that should have been given in connection with (b) (i), (ii) and (iii) above.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, odour, vapor, soot, fumes, airborne or waterborne particles, acids, alkalis, chemicals, sewage, micro-organisms and waste. Waste includes (but is not limited to) materials to be recycled, reconditioned or reclaimed.

Subparagraphs (1) and (4)(A) of paragraph (b)(i) of this exclusion do not apply to claims arising out of heat, smoke or fumes from a Hostile Fire. "Hostile Fire" means a fire that becomes uncontrollable or breaks out from where it was intended to be.

The following Exclusions are added to Commercial General Liability **Form:**

11. This insurance does not apply under Insuring Agreements 1(a) and 1(c) to liability for:

    (a) erasure, destruction, corruption, misappropriation, misinterpretation of "**data** ";
    (b) erroneously creating, amending, entering, deleting or using "**data** ";

    including any loss of use arising therefrom.

12. This insurance does not apply under Insuring Agreement 1(b) to claims arising out of the distribution or display of "data" by means of an Internet Website, the Internet, an intranet, an extranet or similar device or system designed or intended for electronic communication of "data".

The following is added to the DEFINITIONS section of Comprehensive General Liability:

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

The following Exclusion is added to Form CGL 15 (Tenants Fire Legal Liability) or to (Tenant's All Risk Legal Liability), if either such form is attached to and forms part of this policy:

The Insurer shall not be liable for liability for:

(i) erasure, destruction, corruption, misappropriation, misrepresentation of "data";
(ii) erroneously creating, amending, entering, deleting or using "data";

including any loss of use arising therefrom.

The following Definition is added with respect to Tenants Legal Liability Endorsement:

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

The following Exclusion is added to Advertising Liability, if such form is attached to and forms part of this policy:

This insurance does not apply under Insuring Agreement 1(d) to claims arising out of the distribution or display of "data" by means of an Internet Website, the Internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of "data".

The following definition is added with respect to the Advertising Liability Endorsement:

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

All other terms and conditions of the Policy remain unchanged.

It is agreed that Comprehensive General Liability Form, is amended as follows:

1. This insurance does not apply, under Insuring Agreements 1(a), 1(b) and 1(c), to loss arising directly, 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 Bodily Injury, Personal Injury or injury to or destruction of property (including loss of use thereof).

2. **"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, organization or government for the purpose of influencing any government or instilling fear in the public and/or a section of the public.

All other terms and conditions of the Policy remain unchanged.

This endorsement modifies insurance provided under the General Liability Form

The following exclusion is added to Commercial General Liability Form and to Medical Payments Endorsement Form (if applicable)

This insurance shall not apply to:

a. bodily injury (as defined in Commercial General Liability Form, personal injury (as defined in Commercial General Liability Form), "Property Damage" or Medical Payments or any other cost, loss or expense incurred by others, arising directly or indirectly, from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any "fungi" or "spores" however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "fungi" or "spores"; or

b. any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or

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

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

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

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

"Spores" includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "fungi".

"Property Damage" means injury to or destruction of property, including loss of use thereof, or loss of use of property that has not been physically injured or destroyed, due to an accident or occurrence.

This endorsement modifies insurance provided under the General Liability Form

The following exclusion is added to Commercial General Liability Form and to Medical Payments Endorsement Form (if applicable)

This insurance shall not apply to:

a. bodily injury (as defined in Commercial General Liability Form), personal injury (as defined in Commercial General Liability Form), "Property Damage" or Medical Payments or any other cost, loss or expense incurred by others, resulting from, in consequence of, or arising directly or indirectly from the actual or alleged inhalation of, contact with, exposure to, use of, existence of or presence of asbestos or any material containing asbestos in whatever form or quantity, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, clean up, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of asbestos or any material containing asbestos;

b. any loss, damage, injury, cost or expense arising out of any claim, proceeding, action or suit by or on behalf of a governmental authority or arising out of any order or demand under any legislation or regulation that the insured or others perform, or assume liability for, the following:

   i) Operations to evaluate or assess the presence or absence of asbestos, its effects or its quantity;
   ii) Operations to test for, monitor, contain, treat, detoxify, neutralize, identify, clean up, sample, remove, abate, mitigate or dispose of asbestos;
   iii) Any other actions to respond to situations that involve asbestos.

c. any supervision, instructions, recommendations, warnings, or advice given or that should have been given in connection with a. or b. above;

d. 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., b. or c. above.

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

For the purpose of this endorsement, the following definition is added:

Property Damage means injury to or destruction of property, including loss of use thereof, or loss of use of property that has not been physically injured or destroyed, due to an accident or occurrence.

Long-Term Lease Exclusion (SEF 99) Endorsement

In consideration of the premium for which this Policy is issued, it is understood and agreed that Item #3 (HIRED AUTOMOBILES DEFINED) of General Provisions and Definitions of Non-Owned Automobile Endorsement Form to which this endorsement is attached is hereby amended to read as follows:

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

Except as otherwise provided in this Endorsement, all Agreements, Exclusions, Definitions, and Conditions of the Policy shall have full force and effect.

LLOYD'S

[Insert class] INSURANCE
Effected with certain Lloyd's Underwriters **[Insert term used in coverage wordings attached, eg: "the company", "the insurer", etc.]** through Lloyd's Approved Coverholder ("the Coverholder"):
[Insert name and complete address of Canadian Coverholder]

Where LLOYD'S UNDERWRITERS are subscribing insurers to the Policy, the following applies to them:

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

This insurance has been entered into in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to the Agreement shown in the List of Subscribing Companies (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2. In addition Quebec Legal proceedings may be served to: c/o Blake, Cassels & Graydon LLP, One Place Ville Marie, Suite 3000, Montréal, Québec H3B 4N8.

NOTICE

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

LLOYD'S

LLOYD'S UNDERWRITERS' POLICYHOLDERS' COMPLAINT PROTOCOL

Lloyd's strives to enhance your customer experience with us through superior service and innovative insurance products.

We have developed a formal complaint handling protocol in accordance with the Insurance Companies Act of Canada to ensure your concerns as our valued customer are addressed expeditiously by our representatives. This protocol will assist you in understanding the steps we will undertake to help resolve any dispute which may arise with our product or service. All complaints will be handled in a professional manner. All complaints will be investigated, acted upon, and responded to in writing or by telephone by a Lloyd's representative promptly after the receipt of the complaint. If you are not satisfied with our products or services, you can take the following steps to address the issue:

- Firstly, please contact the broker who arranged the insurance on your behalf about your concerns so that he or she may have the opportunity to help resolve the situation.
- If your broker is unable to help resolve your concerns, we ask that you provide us in writing an outline of your complaint along with the name of your broker and your policy number.

Please forward your complaint to:
Lloyd's Underwriters
Attention: Complaints Officer:
Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2
Tel: 1-877-455-6937
E-mail: info@lloyds.ca

Your complaint will be directed to the appropriate business contact for handling. They will write to you within two business days to acknowledge receipt of your complaint and to let you know when you can expect a full response. If need be, we will also engage internal staff in Lloyd's Policyholder and Market Assistance Department in London, England, who will respond directly to you, and in the last stages, they will issue a final letter of position on your complaint.

In the event that your concerns are still not addressed to your satisfaction**,** you have the right to continue your pursuit to have your complaint reviewed by the following organizations:

General Insurance OmbudService (GIO): assists in the resolution of conflicts between insurance customers and their insurance companies. The GIO can be reached at:
Toll free number: 1-877-225-0446
www.giocanada.org

For Quebec clients:
Autorité des marchés financiers (AMF): The regulation of insurance companies in Quebec is administered by the AMF. If you remain dissatisfied with the manner in which your complaint has been handled, or with the results of the complaint protocol, you may send your complaint to the AMF who will study your file and who may recommend mediation, if it deems this action appropriate and if both parties agree to it. The AMF can be reached at
Toll Free: 1-877-525-0337
Québec: (418) 525-0337
Montréal: (514) 395-0311
www.lautorite.qc.ca

If you have a complaint specifically about Lloyd's Underwriters' complaints handling procedures you may contact the FCAC.
Financial Consumer Agency of Canada (FCAC) provides consumers with accurate and objective information about financial products and services, and informs Canadians of their rights and responsibilities when dealing with financial institutions. FCAC also ensures compliance with the federal consumer protection laws that apply to banks and federally incorporated trust, loan and insurance companies. The FCAC does not get involved in individual disputes. The FCAC can be reached at:

427 Laurier Avenue West, 6th Floor, Ottawa ON K1R 1B9
Services in English: 1-866-461-FCAC (3222)
Services in French: 1-866-461-ACFC (2232)
www.fcac-acfc.gc.ca

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LLOYD'S

NOTICE CONCERNING PERSONAL INFORMATION

Introduction:

This notice describes how Lloyd's Canada, as a data controller, collects, uses, shares and retains the personal information you provide and informs you about your choices regarding use, access and correction of your personal information. Lloyd's is committed to ensuring that any personal data it receives is protected and handled in accordance with applicable data protection laws.

Consent to Collection:

By purchasing insurance or filing a claim on a policy issued by Lloyd's Underwriters in Canada, ("Lloyd's"), a customer provides Lloyd's with their consent to the collection, use and disclosure of personal information. Consent is subject to the customer's understanding of the nature, purpose, and consequences of the collection, use or disclosure of their personal information.

How we Collect Information:

We receive policy and claim information from sources such as: Lloyd's Coverholders, Lloyd's Managing Agents, insurance brokers, claims adjusters, and other insurance intermediaries.

What personal information we process about you and how it is used:

Information is collected and stored for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the analysis of business results
- purposes required or authorized by law

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

- Name
- Address including postal code and country
- Policy number
- Claim number
- Claim details

We also collect information about you when you visit www.lloyds.com . Further details can be found on our online Privacy & Cookies policy at Privacy - Lloyd's (lloyds.com)

We will not use your personal information for marketing purposes, and we will not sell your personal information to other parties.

Who we disclose your information to:

For our general business administration, efficiency, and accuracy purposes, your personal information might be shared among certain Lloyd's offices. In order to properly manage the Lloyd's market and exercise certain supervisory powers, we may share your personal information with the Lloyd's Market Participants. For example, to successfully resolve any complaint, we will require all relevant information about your coverage and concerns.

To help manage our business and deliver services, we may share your personal information with third party service providers such as IT suppliers and business services. We require all our service providers to respect the confidentiality and security of personal data.

We may be under legal or regulatory obligations to share your personal data with Canadian courts, regulators, and law enforcement bodies.

Personal information collected by Lloyd's may be stored in several provinces within Canada, as well as sent for processing to Lloyd's offices in international locations such as the United States, the United Kingdom and the European Union. The collection, use and disclosure of personal information will be subject to the laws of those jurisdictions. By communicating personal information to us, for the purchase of insurance products or filing claims, you hereby consent to disclosing such personal information as may be required by the laws of that jurisdiction

For the purposes described above, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain IT suppliers and business services providers. As some of these entities and Business Services Providers may be located outside of Canada, including in the United States of America or another foreign jurisdiction such as the United Kingdom and the European Union, the collection, use and disclosure of personal information will be subject to the laws of that jurisdiction. By communicating personal information to us, for the purchase of insurance products or filing claims, you hereby consent to these entities and Business Services Providers located outside of Canada to disclosing such personal information as required by the laws of that jurisdiction.

Use or disclosure without consent or further notification

Personal information may be used for a purpose other than those for which it was originally collected, without the consent, in the following situations:

- Legitimate business purposes: When it is necessary for the supply or delivery of a product or the provision of a service you have requested. We may also be required to share information to investigate allegations of fraud; where permitted or required by law; to protect and defend legal claims; and, at the request of government institutions in accordance with applicable laws.
- Interest of the individual: When it is clearly used for your benefit.

- Research, data analytics and AI. Only if it is used for purposes consistent with those it was collected, for study or research purposes, or for statistical purposes (where if the information has been de-identified).

Retention

We retain personal information for the purposes described above, for so long as is necessary to achieve those purposes. We will also retain information for so long as required by or regulatory obligations or by law.

Your rights

You have certain rights as an individual which you can exercise in relation to the information we hold about you. If you make a request to exercise any of your rights, we reserve the right to ask you for a proof of your identity. We aim to acknowledge your request as soon as possible and will address your query within one month from your request.

You have the following rights:

The right to access

You are entitled to a confirmation to how we are processing your data, a copy of your data, and information about the purposes of processing, who do we disclose it to, whether we transfer it abroad and how we protect it, how long we keep it for, what rights you have, where we got your data from and how you can make a complaint.

We may have to decline a request due to legal restrictions. This could include, but are not limited to:

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

The right to rectification

If you believe the personal information we hold about you is inaccurate or incomplete, you can request for it to be rectified.

The right to be forgotten

If you withdraw your consent, terminate a contract with us or you believe the personal information is no longer necessary for the purposes for which it was collected, you may request your data to be deleted. However, this will need to be balanced against other factors. For example, there may be certain regulatory obligations which may prevent us from completing your request.

LLOYD'S

The right to data portability

If we collected your information under a contract or your consent, you can request from us to transfer your personal information to provide it to another third party of your choice.

The right to withdraw consent

If we processed your personal information under your consent, you can withdraw consent to the communication or use of the information collected; assuming it is no longer needed for the purposes it was collected.

How to access your information and/or contact us

For further information about Lloyd's management of personal information or to request, access, corrections, deletion, or to make a complaint, please contact:

Lloyd's Underwriters
Attention: Nicole Seymour, Privacy Officer
Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930,
P.O. Box 51 Toronto, Ontario M5J 2J2
Tel: 1-416-360-1512
E-mail: LloydsCanada@lloyds.com

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LLOYD'S

Code of Consumer Rights and Responsibilities

Insurers (including Lloyd's Underwriters), along with the brokers and agents who sell home, auto and business insurance are committed to safeguarding your rights both when you shop for insurance and when you submit a claim following a loss. Your rights include the right to be informed fully, to be treated fairly, to timely complaint resolution, and to privacy. These rights are grounded in the contract between you and your insurer and the insurance laws of your province. With rights, however, come responsibilities including, for example, the expectation that you will provide complete and accurate information to your insurer. Your policy outlines other important responsibilities. Insurers and their distribution networks, and governments also have important roles to play in ensuring that your rights are protected.

Right to Be Informed

You can expect to access clear information about your policy, your coverage, and the claims settlement process. You have the right to an easy-to-understand explanation of how insurance works and how it will meet your needs. You also have a right to know how insurers calculate price based on relevant facts. Under normal circumstances, insurers will advise an insurance customer or the customer's intermediary of changes to, or the cancellation of a policy within a reasonable prescribed period prior to the expiration of the policy, if the customer provides information required for determining renewal terms of the policy within the time prescribed, which could vary by province, but is usually 45 days prior to expiry of the policy.

You have the right to ask who is providing compensation to your broker or agent for the sale of your insurance. Your broker or agent will provide information detailing for you how he or she is paid, by whom, and in what ways.

You have a right to be told about insurers' compensation arrangements with their distribution networks. You have a right to ask the broker or agent with whom you deal for details of how and by whom it is being paid. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

Responsibility to Ask Questions and Share Information

To safeguard your right to purchase appropriate coverage at a competitive price, you should ask questions about your policy so that you understand what it covers and what your obligations are under it. You can access information through one-on-one meetings with your broker or agent. You have the option to shop the marketplace for the combination of coverages and service levels that best suits your insurance needs. To maintain your protection against loss, you must promptly inform your broker or agent of any change in your circumstances.

Right to Complaint Resolution

Insurers, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access Lloyd's Underwriters' complaint resolution process for Canada. Your agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Consumers may also contact their respective provincial insurance regulator for information. Lloyd's is a member of an independent complaint resolution office, the General Insurance OmbudService.

Responsibility to Resolve Disputes

You should always enter into the dispute resolution process in good faith, provide required information in a timely manner, and remain open to recommendations made by independent observers as part of that process.

Right to Professional Service

You have the right to deal with insurance professionals who exhibit a high ethical standard, which includes acting with honesty, integrity, fairness and skill. Brokers and agents must exhibit extensive knowledge of the product, its coverages and its limitations in order to best serve you.

Right to Privacy

Because it is important for you to disclose any and all information required by an insurer to provide the insurance coverage that best suits you, you have the right to know that your information will be used for the purpose set out in the privacy statement made available to you by your broker, agent or insurance representative. This information will not be disclosed to anyone except as permitted by law. You should know that Lloyd's Underwriters are subject to Canada's privacy laws - with respect to their business in Canada.

Sanctions Limitation Clause

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

LMA3100A

5 October 2023

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

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

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BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

06/02/03

NMA2962

PROPERTY CYBER AND DATA EXCLUSION

1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:

1.1 Cyber Loss;

1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

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

3 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

Definitions

4 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

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

6 Cyber Incident means:

6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or

6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

7 Computer System means:

7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,

owned or operated by the Insured or any other party.

8 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

COMMUNICABLE DISEASE ENDORSEMENT

(For use on property policies)

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

   2.1. for a Communicable Disease, or

   2.2. any property insured hereunder that is affected by such Communicable Disease.

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

   3.1. 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

   3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

   3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

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

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

LMA5393

25 March 2020

SERVICE OF SUIT CLAUSE (CANADA)
(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney in Fact in Canada for Lloyd's Underwriters at: Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2. In addition, Quebec Legal proceedings may be served to c/o Blake, Cassels & Graydon LLP, One Place Ville Marie, Suite 3000, Montreal, Quebec H3B 4N8

LMA5028B

15 April 2022

ELECTRONIC DATA AND CYBER ATTACK EXCLUSION

Attaching to and forming part of Commercial General Liability Form.

This policy does not cover any claim, costs or expenses directly or indirectly arising out of, caused by, contributed to or resulting from a Cyber-attack:

(1) Functioning, nonfunctioning, improperly functioning, availability or unavailability of:

(a) The internet or similar facility; or

(b) Any intranet or private network or similar facility; or

(c) Any website, bulletin board, chat room, search engine, portal or similar third party application service.

(2) Alteration, corruption, destruction, distortion, erasure, theft or other loss of or loss of use or damage to DATA, software, information repository, microchip, integrated system or similar device in any computer equipment or non-computer equipment or any kind of programming or instruction set; or

(3) Loss of use or functionality, whether partial or entire, cost, expense of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic and any ensuing inability or failure of any insured to conduct business.

Clauses **(1)**, **(2)** and **(3)** apply regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Further, for the purposes of this endorsement;

DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Cyber Attack means:

a) the spread of computer viruses, worm, logic bomb or Trojan horse,
b) any malicious or non-malicious act and/or inappropriate E-mail,
c) any unauthorised collection or misuse of any data
d) any breach of confidentiality or infringement of any privacy law or right to privacy.

COMMUNICABLE DISEASE EXCLUSION

(For use on liability policies)

1. Notwithstanding any provision to the contrary within this policy, this policy does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

2. For the purposes of this endorsement, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

   3.1. 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

   3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

   3.3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

LMA5396

17 April 2020

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE –
PHYSICAL DAMAGE – DIRECT

This policy does not cover any loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused. *NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination, any loss or damage arising directly from that Fire shall (subject to the provisions of this Policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

*NOTE. – If Fire is not an insured peril under this Policy the word "NEVERTHELESS" to the end of the clause does not apply and should be disregarded.

7/5/59
NMA1191 (amended)

PREMIUM PAYMENT CLAUSE

The (Re)Insured undertakes that premium will be paid in full to Underwriters within …… days of inception of this policy (or, in respect of instalment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the …… day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

11/01

LSW3000

Territorial Exclusion: Russia, Ukraine and Belarus

Notwithstanding anything to the contrary in this Policy, this Policy excludes any loss, damage, liability, cost or expense of whatsoever nature, directly or indirectly arising from or in respect of any:

i. entity domiciled, resident, located, incorporated, registered or established in an **Excluded Territory**;

ii. property or asset located in an **Excluded Territory**;

iii. individual that is physically in an **Excluded Territory**;

iv. claim, action, suit or enforcement proceeding brought or maintained in an **Excluded Territory**;

v. payment in an **Excluded Territory**.

This exclusion will not apply to any coverage or benefit required to be provided by the insurer by law or regulation applicable to that insurer, however, the terms of any sanctions clause will prevail.

For purposes of this exclusion, **"Excluded Territory"** means:

- Belarus (Republic of Belarus); and
- Russian Federation; and
- Ukraine (including any disputed regions of Ukraine and including the Crimean Peninsula)

All other terms, conditions and exclusions remain unchanged.

LMA5583B

8 March 2023

STATUTORY CONDITIONS

(British Columbia)

Misrepresentation

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

Property of others

2. The insurer is not liable for loss or damage to property owned by a person other than the insured unless

   (a) otherwise specifically stated in the contract, or

   (b) the interest of the insured in that property is stated in the contract.

Change of interest

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

Material change in risk

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

   (a) material to the risk, and

   (b) within the control and knowledge of the insured.

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

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

(a) terminate the contract in accordance with Statutory Condition 5,

or

(b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.

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

Termination of insurance

5. (1) The contract may be terminated

(a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or

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

(2) If the contract is terminated by the insurer,

(a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and

(b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.

(3) If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.

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

Requirements after loss

6. (1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,

(a) immediately give notice in writing to the insurer,

(b) deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,

(i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,

(ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,

(iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,

(iv) stating the amount of other insurances and the names of other insurers,

(v) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,

(vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and

(vii) stating the place where the insured property was at the time of loss,

(c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and

(d) if required by the insurer and if practicable,

(i) produce books of account and inventory lists,

(ii) furnish invoices and other vouchers verified by statutory declaration, and

(iii) furnish a copy of the written portion of any other relevant contract.

(2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made

(a) by the agent of the insured, if

(i) the insured is absent or unable to give the notice or make the proof, and

(ii) the absence or inability is satisfactorily accounted for, or

(b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

Salvage

9. (1) In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.

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

Entry, control, abandonment

10. After loss or damage to insured property, the insurer has

(a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and

(b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but

(i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and

(ii) without the insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

11. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.

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

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

(b) the proof of loss has been delivered to the insurer.

When loss payable

12. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

Repair or replacement

13. (1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.

(2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

Notice

14. (1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province.

(2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

01/07/12

LSW1815

ELECTRONIC DATE RECOGNITION EXCLUSION (EDRE)

This policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or

b) any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

EDRE

NMA2802

17/12/1997

WAR AND TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

(1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

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

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

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

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

NMA2918

08/10/2001

Canada Subscription Policy
Lloyd's endorsement (only to be used in conjunction with LSW 1554 or an alternative subscription policy document containing the attributes of LSW 1554)

_____

PLEASE NOTE – This notice contains important information – PLEASE READ CAREFULLY

Whereas the Subscription Policy ("the Policy") has been entered into by the Coverholder in accordance with the authorization granted to the Coverholder by the underwriting members ("the members") of the Lloyd's syndicates as shown in the List of Subscribing Companies (and where the List of Subscribing Companies also notes the identity of the Coverholder);

Whereas the liability of each insurer under the Policy is several and not joint with other insurers party to the Policy;

The following additional provisions shall apply in respect of the participation of the members to the Policy. The following provisions are in addition to and not in substitution for the provisions, terms and condition as set out in the Policy (including any amendment or endorsement thereto).

Several liability

1. The proportion of liability under the Policy underwritten by the members of a Lloyd's syndicate (being the total of the proportions underwritten by all the members of the syndicate taken together) is as provided for in the binding authority agreement number shown in the List of Subscribing Companies, or which may be obtained on application to the Coverholder whose name is also noted in the List of Subscribing Companies.

2. In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total being the total of the proportions of the total shown for the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members or other insurers. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite the Policy. The business address of each member is Lloyd's, One Lime Street, EC3M 7HA, United Kingdom. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained in writing to Market Services, Lloyd's at the above address.

3. Although reference is made at various points in this endorsement to "the Policy" in the singular, where the circumstances so require this should be read as a reference to Policies in the plural.

Action Against Insurer

4. In any action to enforce the obligations of the members they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the members as if they had been individually named as defendant. Service of such proceedings may be validly made upon the attorney-in-fact in Canada for Lloyd's Underwriters, whose address for service is Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2.

Notice

5. Any notice to the members may be validly given to the Coverholder whose signature and name appear in the List of Subscribing Companies.