



MULTI-PERIL
(Provinces other than Quebec)

INSURING AGREEMENTS

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

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

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

Provided, however, that where the insurance applies to the property of more than one person or interest, the 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.

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

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

DEBRIS REMOVAL:

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

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

- ii) Removal of Windstorm Debris: The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this form but which has been blown by windstorm upon a location specified on the "Declarations" Page.

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

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

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the Co-insurance Clause.

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

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

EXCLUSIONS

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

- a) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- b) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- c) by contamination by radioactive material;
- d) proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance, or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.
- e) **POLLUTION EXCLUDED**

This form does not insure against :

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

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

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

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

CONDITIONS

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

STATUTORY CONDITIONS

MISREPRESENTATION

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

PROPERTY OF OTHERS

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

CHANGE OF INTEREST

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

MATERIAL CHANGE

4. Any change material to the risk and within the control and knowledge of the Insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent, and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if he desires the contract to continue in force, he must, within fifteen days' of the receipt of the notice, pay to the Insurer an additional premium, and in default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

TERMINATION

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

REQUIREMENTS AFTER LOSS

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

FRAUD

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

WHO MAY GIVE NOTICE AND PROOF

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

SALVAGE

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

ENTRY, CONTROL, ABANDONMENT

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

APPRAISAL

11. In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefore is made in writing and until after proof of loss has been delivered.

WHEN LOSS PAYABLE

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

REPLACEMENT

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

ACTION

14. Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.

* two years in Province of Manitoba and Yukon Territory.

NOTICE

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

ADDITIONAL CONDITIONS

NOTICE TO AUTHORITIES

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

NO BENEFIT TO BAILEE

- II 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.

PAIR AND SET

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

PARTS

- IV In the case of loss of or damage to any part of the insured property, whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

SUE AND LABOUR

- V It is the duty of the Insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.

BASIS OF SETTLEMENT

- VI Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or event exceed what it would then cost to repair or replace the same with material of like kind and quality.

SUBROGATION

VII The Insurer, upon making any payment or assuming liability 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 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 Insured to recover.

OTHER INSURANCE

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

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

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

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

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

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

DEBRIS REMOVAL :

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

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

- a) to "clean up" "pollutants" from land or water : or
- b) for testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the Co-insurance Clause.

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

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

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

- a) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power ;
- b) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas ;
- c) by contamination by radioactive material ;
- d) proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.
- e) **POLLUTION EXCLUDED :**

This form does not insure against;

- a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", is the direct result of a peril not otherwise excluded under this form :
 - i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this form ;
 - ii) to loss or damage caused directly by a peril not otherwise excluded under this form ;
- b) cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

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

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

GENERAL CONDITIONS

(This policy is subject to the Civil Code of Quebec)

Preference to Civil Code articles in some instances is for easier reading only and should not be construed as exact quotations.

For all coverages except where inapplicable.

1. STATEMENTS

1.1 Representation of risk (Article 2408)

The client, and the Insured if the Insurer requires it, is bound to represent all the facts known to him which are likely to materially influence an insurer in the setting of the premium, the appraisal of the risk or the decision to cover it, but he is not bound to represent facts known to the Insurer or which from their notoriety he is presumed to know, except in answer to inquiries.

The client means the person submitting an insurance application.

1.2 Material change in risk (Articles 2466 and 2467)

The Insured shall promptly notify the Insurer of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it.

On being notified of any material change in the risk, the Insurer may cancel the contract or propose, in writing, a new rate of premium. Unless the new premium is accepted and paid by the Insured within thirty days of the proposal, the policy ceases to be in force.

1.3 Misrepresentations or concealment (Articles 2410, 2411 and 2466)

Any misrepresentation or concealment of relevant facts mentioned in section 1.1 and in the first paragraph of section 1.2 by the client or the Insured nullifies the contract at the instance of the Insurer, even in respect of losses not connected with the risk so misrepresented or concealed. Unless the bad faith of the client or of the Insured is established or unless it is established that the Insurer would not have covered the risk if he had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium he collected bears to the premium he should have collected.

1.4 Warranties (Article 2412)

Any increase in risk resulting from a breach of warranty suspends the coverage until accepted by the Insurer or until such breach has been remedied by the Insured.

2. GENERAL PROVISIONS

2.1 Insurable interest (Articles 2481 and 2484)

(Applicable only to property insurance)

A person has an insurable interest in a property where the loss or deterioration of the property may cause him direct and immediate damage. It is necessary that the insurable interest exist at the time of the loss but not necessary that the same interest have existed throughout the duration of the contract. The insurance of a property in which the Insured has no insurable interest as null.

2.2 Changes (Article 2405)

The terms of this policy shall not be waived or changed except by endorsement.

2.3 Assignment (Articles 2475 and 2476)

This policy may be assigned only with the consent of the Insurer and in favour of a person who has an insurable interest in the insured property.

Upon the death or bankruptcy of the Insured or the assignment of his interest in the insurance to a co-insured, the insurance continues in favour of the heir, trustee in bankruptcy or remaining Insured, subject to his performing the obligations that were incumbent upon the Insured.

2.4 Books and records

The Insurer and its authorized representatives shall have the right to examine the Insured's books and records related to the subject matter of this insurance at any time during the period of this policy and the three subsequent years.

2.5 Inspection

The Insurer and its authorized representatives shall have the right but are not obligated to make inspections of the risk, give the Insured reports on the conditions found and recommend changes. Any inspections, surveys, reports or recommendations relate only to insurability and the

premiums to be charged. They shall not constitute a warranty that the premises, property or operations are safe or healthful or comply with laws, codes or standards.

2.6 Currency

All limits of insurance, premiums and other amounts in this policy are in Canadian currency.

3. LOSSES

3.1 Notice of loss (Article 2470)

The Insured shall notify the Insurer of any loss which may give rise to an indemnity, as soon as he becomes aware of it. Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to compensation shall be forfeited by the Insured where such non-compliance has caused prejudice to the Insurer.

3.2 Information to be provided (Article 2471)

The Insured shall inform the Insurer as soon as possible of all the circumstances surrounding the loss, including its probable cause, the nature and extent of the damage, the location of the insured property, the rights of third parties, and any concurrent insurance; he shall also furnish him with vouchers and swear or warrant to the truth of the information. Where, for a serious reason, the Insured is unable to fulfil such obligation, he is entitled to a reasonable time in which to do so. If the insured fails to fulfil his obligation, any interested person may do so on his behalf.

In addition, the Insured shall forthwith send to the Insurer a copy of any notice, letter, subpoena or writ or document received in connection with a claim.

3.3 False representation (Article 2472)

Any deceitful representation entails the loss or the right of the person making it to any indemnity in respect of the risk to which the representation relates.

However, if the occurrence of the event insured against entails the loss of both movable and immovable property, or of both property for occupational use and personal property, forfeiture is incurred only with respect to the class of property to which the representation relates.

3.4 Intentional Fault (Article 2464)

The Insurer is never liable to compensate for injury resulting from the Insured's intentional fault.

Where there is more than one Insured, the obligation of coverage remains in respect of those Insureds who have not committed an intentional fault.

Where the Insurer is liable for injury caused by a person for whose acts the Insured is liable, the obligation of coverage subsists regardless of the nature or gravity of that person's fault.

3.5 Notice to police

(Applicable to property insurance only)

The Insured must promptly give notice to the police of any loss caused by vandalism, theft or attempted theft or other criminal act.

3.6 Safeguarding and examination of property (Article 2495)

(Applicable to property insurance only)

At the expense of the Insurer, the Insured must take all reasonable steps to prevent further loss or damage to the insured property and any further loss or damage resulting directly or indirectly from the Insured's failure to take such action shall not be recoverable.

The Insured may not abandon the damaged property if there is no agreement to that effect. The Insured shall facilitate the salvage and inspection of the insured property by the Insurer. He shall, in particular, permit the Insurer and his representatives to visit the premises and examine the insured property before repairing, removing or modifying the damaged property, unless so required to safeguard the property.

3.7 Admission of liability and cooperation (Article 2504)

No transaction made without the consent of the Insurer may be set up against him.

The Insured shall not admit any liability nor settle or attempt to settle any claim, except at his own cost.

The Insured shall cooperate with the Insurer in the processing of all claims.

- 3.8 Right of action (Article 2502)
(Applicable to liability insurance only)
The Insurer may set up against the injured third person any grounds he could have invoked against the Insured at the time of the loss, but not grounds pertaining to facts that occurred after the loss; the Insurer has a right of action against the Insured in respect of facts that occurred after the loss.

4. COMPENSATION AND SETTLEMENT

- 4.1 Basis of settlement (Articles 2490, 2491 and 2493)
(Applicable to property insurance only)
Unless otherwise provided, the Insurer shall not be liable for more than the actual cash value of the property at the time of the loss as normally determined.
In unvalued policies, the amount of insurance does not make proof of the value of the insured property. In valued policies, the agreed value makes complete proof, between the Insurer and the Insured, of the value of the insured property.
If the amount of insurance is less than the value of the property, the Insurer is released by paying the amount of the insurance in the event of total loss or a proportional indemnity, in the event of partial loss.
- 4.2 Pair and set
(Applicable to property insurance only)
In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.
- 4.3 Parts
(Applicable to property insurance only)
In the case of loss of or damage to any part of the insured property, whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.
- 4.4 Replacement (Article 2494)
(Applicable to property insurance only)
Subject to the rights of preferred and hypothecary creditors, the Insurer reserves the right to repair, rebuild or replace the insured property. He is then entitled to salvage and may take over the property.
- 4.5 Time of payment (Articles 2469 and 2473)
The Insurer shall pay the indemnity within sixty days after receiving the notice of loss or, at this request, all relevant information and vouchers.
Any outstanding premium may be deducted from the indemnity payable.
- 4.6 Property of others
(Applicable to property insurance only)
Where a claim is made as a result of loss of or damage to property not owned by the Insured, the Insurer reserves the right to pay the indemnity to the Insured or to the owner of the property and to deal directly with such owner.
- 4.7 Waiver
Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of the policy by any act relating to arbitration or to the completion or delivery of proof of loss, or to the investigation or adjustment of the claim.
- 4.8 Action against Insurer
The Insured may not bring any action to recover the amount of a claim under this policy unless the requirements of this policy have been complied with nor until the amount of the loss has been ascertained by arbitration or by judgment against the Insured or by agreement between the parties with the written consent of the Insurer.
- 4.9 Limitation of actions (Article 2925)
Every action or proceeding against the Insurer under this policy shall be commenced within three years from the date the right of action has arisen.
- 4.10 Subrogation (Article 2474)
Unless otherwise provided, the Insurer shall be subrogated to the extent of the amount paid or the liability assumed therefor under this policy to the rights of the Insured against persons responsible for the loss except when they are members of the Insured's household. The Insurer may be fully or partly released from his obligation towards the Insured where, owing to any act of the Insured, he cannot be so subrogated.

5. OTHER INSURANCE

- 5.1 Property insurance (Article 2496)
The Insured who, without fraud, is insured by several insurers, under several policies, for the same interest and against the same risk so that the total amount of indemnity that would result from the separate performance of such policies would exceed the loss incurred may be indemnified by the insurer or insurers of his choice, each being liable only for the amount he has contracted for.

No clause suspending all or part of the performance of the contract by reason of other insurance may be used against the Insured.

Unless otherwise agreed, the indemnity is apportioned among the insurers in proportion to the share of each in the total coverage, except in respect of specified insurance, which constitutes primary insurance.
- 5.2 Liability insurance
The liability insurance provided under this policy is primary insurance except when stated to apply in excess of, or contingent upon the absence of, other insurance. When this insurance is primary and the Insured has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the insured's liability under this policy shall not be reduced by the existence of such other insurance. When both this insurance and other insurance apply to the loss on the same basis whether primary, excess or contingent, the Insurer shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below :
- Contribution by equal share :
If all of such other collectible insurance provides for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than would be payable if each insurer contributed an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.
 - Contribution by limits :
If any such other insurance does not provide for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

CANCELLATION (Articles 2477 and 2479)

- This policy may be cancelled at any time :
- (a) By any of the Named Insureds giving written notice. Termination takes effect upon receipt of the notice and the Insured shall therefore be entitled to a refund of the excess of the premium actually paid over the short-term rate for the expired time.
 - (b) By the Insurer giving written notice to each Named Insured. Termination takes effect fifteen days following receipt of such notice by the Insured at his last known address and the Insurer shall refund the excess of premium actually paid over the pro rata premium for the expired time. If the premium is subject to adjustment or determination as to amount, the refund shall be made as soon as practicable.

Where one or more of the Named Insureds have been mandated to receive or send the notices provided for under paragraph (a) and (b) above, notices sent or received by them shall be deemed to have been sent or received by all Named Insureds.
In this Condition, the words "Premium actually paid" mean the premium actually paid by the Insured to the Insurer or its agent, but do not include any premium or part thereof paid to the Insurer by an agent unless actually paid to the agent by the Insured.

7. NOTICE

Any notice to the Insurer may be sent by any recognized means of communication to the Insurer or its authorized representative. Notice may be given to the Named Insured by letter personally delivered to him or by mail addressed to him at his last known address.

It is incumbent upon the sender to prove that such notice was received.

COMMERCIAL PROPERTY BROAD FORM

WORDS AND PHRASES IN QUOTATION HAVE SPECIAL MEANING AS DEFINED IN CLAUSE 17

1. INDEMNITY AGREEMENT

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

- (a) the value of the lost or damaged property as determined in Clause 14;
- (b) the interest of the Insured in the property;
- (c) the amount of insurance specified on the "Declarations Page" for the lost or damaged property.

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

2. INSURED PROPERTY

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

"Building"

"Equipment"

"Stock"

"Contents"

"All Property"

- B) This form also insures the following items for which an amount of insurance is specified on the "Declarations Page".

Temporary Locations: "Building" and "Contents" other than at a specified location, except while in transit or outside Canada and continental United States of America. There shall be no liability under this item at any location owned, rented or controlled in whole or in part by the Insured.

"Building at Newly Acquired Location: "Building" at any newly acquired location within Canada or the continental United States of America. This coverage attaches at the time of the acquisition and extends for a period of 90 days, or to the date of endorsement of this form adding such location, or until the expiry date of this policy, whichever occurs first. There is no coverage under this item for any "building" that is in the course of construction.

Contents at Newly Acquired Location: "Contents" at any newly acquired location within Canada or the continental United States of America that is owned, rented or controlled by the Insured in whole or in part. This coverage attaches at the time of the acquisition and extends for a period of 90 days, or to the date of endorsement of this form adding such location, or until the expiry date of this policy, whichever occurs first.

Property in Transit: "Equipment", "Stock" and "Contents" in transit within Canada or the continental United States of America until delivered.

Sales Representative: "Contents" whether in transit or otherwise, within Canada or the continental United States of America while in the custody of a sales representative of the Insured.

3. DEDUCTIBLE

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

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

4. CO-INSURANCE

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

The Insured shall maintain insurance concurrent with this form on the insured property to the extent of at least the amount produced by multiplying the value of the property as determined in Clause 14 by the co-insurance percentage specified on the "Declarations Page". If the Insured fails to do so, the Insured shall only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

5. INSURED PERILS

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

6. EXCLUSIONS

A. EXCLUDED PROPERTY

This form does not insure loss of or damage to:

- (a) sewers, drains or watermains located beyond the outside bearing walls or foundations of the "building", outside communication towers, antennae (including satellite receivers) and attached equipment, street clocks, or exterior signs. This exclusion does not apply to loss or damage caused directly by "Named Perils";
- (b) property at locations which, to the knowledge of the Insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- (c) electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing. This exclusion does not apply to loss or damage caused directly by resultant fire or explosion as described in Clause 17 (l);
- (d) growing plants, trees, shrubs or flowers, all while outside the "building" except as provided elsewhere in this policy;
- (e) animals, fish or birds. This exclusion does not apply to loss or damage caused directly by "Named Perils" or by theft or attempted theft;
- (f) money, "cash cards", bullion, platinum and other precious metals and alloys, securities, stamps, tickets (except lottery tickets) and tokens, or evidence of debt or title;
- (g) automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property. This exclusion does not apply to watercraft or amphibious or air cushion vehicles held for sale, or to unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "premises";
- (h) furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, or precious and semi-precious stones. This exclusion does not apply to:
 - (i) the first one thousand dollars (\$1,000) of any loss otherwise insured; or
 - (ii) loss or damage caused directly by "Named Perils";
- (i) property insured under the terms of any Marine Insurance, and property while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation;
- (j) property from the time of leaving the Insured's custody if it is:
 - (i) loaned or rented or leased to others; or
 - (ii) sold by the Insured under conditional sale or installment payment or other deferred payment plan.

This exclusion (j) does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured;

- (k) property in the custody of a sales representative outside the "premises", unless an amount of insurance is shown on the "Declarations Page" for Sales Representative;
- (l) property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- (m)
 - (i) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
 - (ii) any boiler, including its connected piping and equipment, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use);caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use.
This exclusion (m) does not apply to:
 - (1) manually portable gas cylinders;
 - (2) explosion of natural, coal or manufactured gas;
 - (3) explosion of gas or unconsumed fuel within a furnace or within the gas passages from the furnace to the atmosphere;

- (n) roadways, walkways, exterior parking lots or other similar paved or unpaved surfaces. This exclusion does not apply to the first \$10,000 or any other amount stated on the "Declarations Page", of any loss otherwise insured;
- (o) "equipment" or "stock" while actually being worked upon and directly resulting from such work or caused by any repairing, adjusting, or servicing of "equipment" or "stock". This exclusion does not apply to loss or damage caused directly by resultant fire or explosion as described in Clause 17(l);
- (p) exterior glass or vitrolite and its lettering or ornamentation. This exclusion does not apply to loss or damage caused directly by "Named Perils".

B. EXCLUDED PERILS

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

- (a) in whole or in part by earthquake. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke or leakage from "fire protective equipment", all as described in Clause 17(l). This exclusion does not apply to property in transit;
- (b) in whole or in part by flood, including "surface water", waves, tides, tidal waves, tsunamis, or the breaking out or overflow of, any natural or artificial body of water. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke, leakage from "fire protective equipment", all as described in Clause 17(l). This exclusion does not apply to property in transit or loss or damage caused directly by leakage from a watermain;
- (c)
 - (i) by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings, foundations, basement floors, sidewalks or sidewalk lights, unless concurrently and directly caused by a peril not otherwise excluded in this form;
 - (ii) by the backing up or overflow of water from sewers, sumps, septic tanks or drains, wherever located, unless concurrently and directly caused by a peril not otherwise excluded in this form;
 - (iii) by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a peril not otherwise excluded in this form;
- (d) by centrifugal force, mechanical or electrical breakdown or derangement, in or on the "premises". This exclusion does not apply to loss or damage caused directly by resultant fire;
- (e)
 - (i) by dampness or dryness of atmosphere;
 - (ii) by changes in or extremes of temperature, heating or freezing;
 - (iii) by total or partial interruption to the supply of electricity, water, gas or steam;
 This exclusion (e) does not apply to:
 - (1) loss or damage caused directly by rupture of pipes or breakage of apparatus not excluded in paragraph (m) of Clause 6.A.;
 - (2) damage to pipes caused directly by freezing, unless such pipes are excluded in paragraph (m) of Clause 6.A.;
 - (3) loss of or damage to "building" or "equipment" caused directly by "Named Perils", theft or attempted theft;
 - (4) loss or damage caused directly by an accident to a transporting conveyance;
- (f)
 - (i) by shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, or change in colour or texture or finish;
 - (ii) by contamination;
 - (iii) by marring, scratching or crushing.
 This exclusion (f) does not apply to loss or damage caused directly by:
 - (1) "Named Perils";
 - (2) rupture of pipes or breakage of apparatus not excluded in paragraph (m) of Clause 6.A. ;
 - (3) theft or attempted theft;
 - (4) an accident to a transporting conveyance;
- (g) by smoke from agricultural smudging or industrial operations;
- (h) by rodents, insects, bats, raccoons, skunks or vermin. This exclusion does not apply to loss or damage caused directly by a peril not otherwise excluded in this form;
- (i) by delay, loss of market, or loss of use or occupancy;
- (j) in whole or in part by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage;

- (k) (i) by any nuclear incident (as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas, all as described in Clause 17(l);
 - (ii) by contamination by radioactive material;
- (l) (i) by any dishonest or criminal act committed by the Insured or any agent of the Insured, acting alone or in collusion with others;
 - (ii) by theft or attempted theft committed by any employee of the Insured, acting alone or in collusion with others;
 - (iii) by any dishonest or criminal act committed by anyone, except as stated in (l) (ii), when the Insured or any agent of the Insured knew or ought to have known prior to the loss or damage, of the dishonest or criminal act.

This exclusion (l) (iii) does not apply if, upon becoming aware of the dishonest or criminal act, the Insured or any agent of the Insured immediately notifies the police and the Insurer.

For the purpose of this exclusion

 - (1) **criminal act** includes but is not limited to
 - (i) any act that would be considered an offence under the Criminal Code of Canada;
 - (ii) any act that would be considered an offence under any federal or provincial legislation whether or not such an offence is punishable by incarceration.

It is not necessary that an act result in a charge and/or conviction for the act to be a criminal act;
 - (2) **agent** includes a property manager of the Insured, as well as any other person who would qualify as an agent of the Insured in law;
- (m) by snowslide, landslide, subsidence or other earth movement. This exclusion does not apply to property in transit, or to loss or damage caused directly by resultant fire, explosion, smoke or leakage from "fire protective equipment", all as described in Clause 17(l);
- (n) by explosion (except explosion of natural, coal, or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured:
 - (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 their parts normally containing steam or water under steam pressure from an external source and while under such pressure;
 - (iii) other vessels and apparatus and their connected pipes while under pressure, or while in use or in operation provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting directly from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
 - (iv) moving or rotating machinery or parts;
 - (v) any vessels and apparatus and their connected pipes while undergoing pressure tests, but this exclusion does not apply to other insured property that has been damaged by such explosion;
 - (vi) gas turbines.

This exclusion (n) does not apply to loss or damage caused by resultant fire;
- (o) by settling, expansion, contraction, moving, shifting or cracking. This exclusion does not apply to loss or damage caused directly and concurrently by a peril not otherwise excluded in this form;
- (p) 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.

C. POLLUTION EXCLUSION

This form does not insure against:

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

D. DATA EXCLUSION

- (1) This form does not insure "data".
- (2) This form does not insure loss or damage caused directly or indirectly by "data problem". This exclusion (2) does not apply to loss or damage caused directly by a resultant Named Perils (excluding Named Peril (D)-Riot, Vandalism or Malicious Acts), all as described in Clause 17(l), or by the escape of water from any tank, apparatus or pipe.

E. TERRORISM EXCLUSION

This form 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". This exclusion applies whether or not there are one or more causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage. If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

F. FUNGI AND SPORES EXCLUSION

This form does not insure:

- (a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "fungi" or "spores".

This exclusion does not apply:

- (i) if the "fungi" or "spores" are directly caused by a peril not otherwise excluded in this form, or
 - (ii) to loss or damage caused directly by a resultant peril not otherwise excluded in this form;
- (b) the cost or expense for any testing, monitoring, evaluating or assessing of "fungi" or "spores".

G. OTHER EXCLUDED LOSSES

This form does not insure:

- (a) (i) wear and tear;
- (ii) rust or corrosion;
- (iii) gradual deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

This exclusion (a) does not apply to loss or damage caused directly by a resultant peril not otherwise excluded in this form;

- (b) the cost of making good:
 - (i) faulty or improper material;
 - (ii) faulty or improper workmanship;
 - (iii) faulty or improper design.

This exclusion (b) does not apply to loss or damage caused directly by a resultant peril not otherwise excluded in this form;

- (c) mysterious disappearance, or shortage of "equipment" or "stock" disclosed on taking inventory;

7. PERMISSION

Permission is granted:

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

8. BREACH OF CONDITION

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

9. REINSTATEMENT

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

10. SUBROGATION

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

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

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

11. PROPERTY PROTECTION SYSTEMS

It is a condition of this insurance, for the purpose of Clause 8, that the Insured shall immediately notify the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any:

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

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

12. PREMIUM ADJUSTMENT

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

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

13. VERIFICATION OF VALUES

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

14. BASIS OF VALUATION

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

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

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

15. PROPERTY OF OTHERS

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

16. LOCKED VEHICLE WARRANTY

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

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

17. DEFINITIONS

Wherever used in this form:

- (a) "**All Property**" means: "building", "equipment" and "stock".
- (b) "**Building**" means:
the building(s) described on the "Declarations Page" and includes:
 - (i) fixed structures pertaining to the building(s) and located on the "premises";
 - (ii) additions and extensions communicating and in contact with the building(s);
 - (iii) permanent fittings and fixtures attached to and forming part of the building(s);
 - (iv) materials, equipment and supplies on the "premises" for maintenance of, and normal repairs and minor alterations to the "building" or for building services;
 - (v) growing plants, trees, shrubs or flowers inside the "building" used for decorative purposes when the Insured is the owner of the "building".
- (c) "**Cash Cards**" means cards designed to store a cash value by electronic means as a mode of payment, without a personal identification number and without direct access to a bank or other account.

- (d) "**Clean Up**" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to any of these processes.
- (e) "**Contents**" means "equipment" and "stock".
- (f) "**Data**" means representations of information or concepts, in any form.
- (g) "**Data problem**" means:
 - (i) erasure, destruction, corruption, misappropriation, misinterpretation of "data";
 - (ii) error in creating, amending, entering, deleting or using "data"; or
 - (iii) inability to receive, transmit or use "data".
- (h) "**Declarations Page**" means the Declarations Page, including any supplementary pages or schedule of coverages attached thereto, applicable to this policy.
- (i) "**Equipment**" means:
 - (i) generally all contents usual to the Insured's business, including furniture, furnishings, fittings, fixtures, machinery, tools, utensils and appliances, other than "building" or "stock";
 - (ii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable;
 - (iii) tenant's improvements, which are defined as building improvements, alterations and betterments made at the expense of the Insured to a "building" occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such "building". If the Insured purchased the use interest in tenant's improvements made by a predecessor tenant, this form applies as though such tenant's improvements had been made at the expense of the Insured.
- (j) "**Fire Protective Equipment**" includes tanks, watermains, hydrants, valves and any other apparatus whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
 - (i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
 - (ii) any watermains or appurtenances located outside of the "premises" and forming a part of the public water distribution system;
 - (iii) any pond or reservoir in which the water is impounded by a dam.
- (k) "**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.
- (l) "**Named Perils**" means

A) **FIRE OR LIGHTNING**

- B) **EXPLOSION:** Except with respect to the explosion of natural, coal or manufactured gas, there shall in no event be any liability for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
- (i) a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - b) piping and apparatus or their parts normally containing steam or water under steam pressure from an external source and while under such pressure;
 - c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion from them;
 - d) smelt dissolving tanks;
 - (ii) other vessels and apparatus and connected pipes, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
 - (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
 - (iv) any vessels and apparatus and connected pipes while undergoing pressure tests, but this exclusion shall not apply to other insured property that has been damaged by such explosion;
 - (v) gas turbines;
- The following are not explosions within the intent or meaning of this section:
- a) electric arcing or any coincident rupture of electrical equipment due to such arcing;
 - b) bursting or rupture caused by hydrostatic pressure or freezing;
 - c) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.

C) **IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE:** The terms Aircraft and Spacecraft include articles dropped from them.

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

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

- D) **RIOT, VANDALISM OR MALICIOUS ACTS:** The term Riot includes open assemblies of strikers inside or outside the "premises" who have quitted work and of locked-out employees.
- There shall in no event be any liability for loss or damage:
- (i) due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
 - (ii) due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under Clause 17(1)(B);
 - (iii) due to theft or attempted theft.
- E) **SMOKE:** The term Smoke means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability for any cumulative damage.
- F) **LEAKAGE FROM "FIRE PROTECTIVE EQUIPMENT":** The term Leakage From "Fire Protective Equipment" means:
- (i) the leakage or discharge of water or other substances from;
 - (ii) the collapse of;
 - (iii) the rupture due to the freezing of;
- "fire protective equipment" for the "premises" or for adjoining structures.
- G) **WINDSTORM OR HAIL:** There shall in no event be any liability for loss or damage:
- (i) to the interior of the "building" or to "contents" unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
 - (ii) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.
- (m) **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (n) **"Premises"** means the entire area within the property lines and areas under adjoining sidewalks and driveways at:
- (i) each location described on the "Declarations Page";
 - (ii) Temporary Locations and any Newly Acquired Location, if covered by this form;
- and in or on vehicles within 100 metres (328 feet) of such locations.
- (o) **"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".
- (p) **"Stock"** means:
- (i) merchandise of every description usual to the Insured's business;
 - (ii) packing, wrapping and advertising materials; and
 - (iii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable.
- (q) **"Surface water"** means water or natural precipitation temporarily diffused over the surface of the ground.
- (r) **"Terrorism"** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or section of the public.

CLARIFICATION OF STATUTORY CONDITIONS ENDORSEMENT

This endorsement modifies the insurance provided by the policy to which it is attached as follows:

1. The "Statutory Conditions" set out in this policy are renamed "Policy Conditions" and now apply, as modified or supplemented in forms or endorsements attached to this policy, as "Policy Conditions" to all coverages and all perils (including fire) insured by this policy.
2. Condition 14 of the said conditions is restated as follows:

Action

14. Where permitted by law, every action or proceeding against the Insurer for the recovery of a claim under or by virtue of this contract shall be absolutely barred unless commenced within one year * next after the loss or damage occurs, except in the Provinces of British Columbia and Ontario.

In the Province of British Columbia, the period of one year next shall commence from the furnishing of a reasonably sufficient proof of loss.

In the Province of Ontario the action shall be commenced within the time period prescribed by s. 4 of the Limitations Act 2002, S.O. 2002, Chapter 24 Schedule B.

* two years in the Province of Manitoba and Yukon Territory.

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

All other terms and conditions remain unchanged.

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

FUNGI and FUNGAL DERIVATIVES EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Property Multi-Peril heading.

1. This policy does not insure:

- (a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any fungi or spores unless such fungi or spores are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy;
- (b) the cost or expense for any testing, monitoring, evaluating or assessing of fungi, or spores.

2. The Insurer shall not be liable for "Extra Expense", loss of "Business Income", loss of "Rental Income", loss of "Gross Profit", loss of "Gross Earnings", loss of "Gross Rentals", loss of "Gross Rent and Rental Value" or any other loss attributable to any interruption of business, provided such coverage is currently included in the policy to which this endorsement is attached, resulting from loss or damage consisting of or caused directly or indirectly, in whole or in part, by any fungi or spores unless such fungi or spores are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy.

3. The following definitions are added

Wherever used in this endorsement, or wherever used in any other endorsement or in any policy to which this endorsement is applicable, the following terms shall mean

- (a) "Fungi" includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "Fungi" or "Spores" or resultant mycotoxins, allergens, or pathogens.
- (b) "Spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".

All other terms and conditions remain unchanged.

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

TERRORISM EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Property Multi-Peril heading.

1. This policy does not insure loss or damage caused directly or indirectly, in whole or in part, by "terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.
2. The Insurer shall not be liable for "Extra Expenses", loss of "Business Income", loss of "Rental Income", loss of "Gross Profit", loss of "Gross Earnings", loss of "Gross Rentals", loss of "Gross Rent and Rental Value" or any other loss attributable to the interruption of business, provided such coverage is currently included in the policy to which this endorsement is attached, resulting from loss or damage caused directly or indirectly, in whole or in part, by "terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.
3. The following definition is added

Wherever used in this endorsement, or wherever used in any other endorsement or in any policy to which this endorsement is applicable, "terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

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

All other terms and conditions remain unchanged.

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

DATA EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the "Declarations Page" under the Property Multi-Peril heading.

The following sections A and B apply to all forms except 012200, 012300, 021021, 021090, 021100, 021120, 021140, 021150, 401102 and 401105.

A.1. (a) This form does not insure "Data".

(b) This form does not insure loss or damage caused directly or indirectly by "Data Problem", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage. 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 an "Insured Peril", as defined in this endorsement, or by the escape of water from any tank, apparatus or pipe, exclusion A.1.(b) shall not apply to such resulting loss or damage. This exception only applies to the extent that such resulting loss or damage would otherwise be insured under the Property Multi-Peril Section of this policy.

A.2. The following paragraph is deleted from any form to which this endorsement is applicable:

"Nor does this form insure disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning".

A.3. Paragraph (b) of Special Basis of Settlement Clause is amended to read as follows:

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

- (i) books of accounts, drawings, card index systems and other records, other than as described in (ii) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;
- (ii) media, data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment, 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.

B.1. Subject to (a) and (b) following, the Insurer shall not be liable for "Extra Expenses", loss of "Business Income", loss of "Rental Income", loss of "Gross Profit", loss of "Gross Earnings", loss of "Gross Rentals", loss of "Gross Rent and Rental Value" or any other loss attributable to the interruption of business, directly or indirectly caused by "Data Problem", regardless of any other cause or event that contributes concurrently or in any sequence to a "Data Problem".

- (a) If "Data Problem" results in direct physical loss of or damage to property at the "Premises" caused by an "Insured Peril", as defined in this endorsement, or by the escape of water from any tank, apparatus or pipe, this exclusion B.1. shall not apply to resulting "Extra Expenses", loss of "Business Income", loss of "Rental Income", loss of "Gross Profit", loss of "Gross Earnings", loss of "Gross Rentals", loss of "Gross Rent and Rental Value" or any other loss attributable to the interruption of business, suffered through such resulting loss or damage. This exception only applies to the extent that such loss would otherwise be insured under the Property Multi-Peril Section of this policy.
- (b) If "Data Problem" is the direct result of:
 - (i) an "Insured Peril", as defined in this endorsement;
 - (ii) the escape of water from any tank, apparatus or pipe;
 - (iii) earthquake, but only if the form to which this endorsement is applicable provides earthquake coverage;
 - (iv) flood, but only if the form to which this endorsement is applicable provides flood coverage;
 - (v) backing-up of sewers, but only if the form to which this endorsement is applicable provides backing-up of sewers coverage;

at the "Premises", this exclusion B.1. shall not apply. This exception only applies to the extent that such loss would otherwise be insured under the Property Multi-Peril Section of this policy.

B.2. The following paragraph is deleted from any form to which this endorsement is applicable:

"Nor does this form insure disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning".

The following section C applies only to forms 012200, 012300, 021021, 021090, 021100, 021120, 021140, 021150, 401102 and 401105.

C.1. Subject to (a) and (b) following, this form does not insure loss or damage caused directly or indirectly by "Data Problem", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.

(a) 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 an "Insured Peril", as defined in this endorsement, or by the escape of water from any tank, apparatus or pipe, this exclusion C.1. shall not apply to such resulting loss or damage. This exception only applies to the extent that such resulting loss or damage would otherwise be insured under the Property Multi-Peril Section of this policy.

(b) If "Data Problem" is the direct result of:

- (i) an "insured peril", as defined in this endorsement;
- (ii) the escape of water from any tank, apparatus or pipe;
- (iii) earthquake, but only if the form to which this endorsement is applicable provides earthquake coverage;
- (iv) flood, but only if the form to which this endorsement is applicable provides flood coverage;
- (v) backing-up of sewers, but only if the form to which this endorsement is applicable provides backing-up of sewers coverage;

at the "Premises", this exclusion C.1. shall not apply. This exception only applies to the extent that such loss would otherwise be insured under the Property Multi-Peril Section of this policy.

C.2. The following paragraphs are deleted from any form to which this endorsement is applicable:

- "Nor does this form insure disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning".
- "This agreement (policy) does not insure against loss, damage or expense caused directly or indirectly by electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning".

DEFINITIONS:

1. Wherever used in this endorsement, or wherever used in any policy to which this endorsement is applicable, "Data" means representations of information or concepts, in any form.

2. Wherever used in this endorsement:

"Data Problem" means:

- (i) erasure, destruction, corruption, misappropriation, misinterpretation of "Data";
- (ii) error in creating, amending, entering, deleting or using "Data"; or
- (iii) inability to receive, transmit or use "Data".

"Declarations Page" means the Declarations Page applicable to this endorsement.

"Insured Peril" means

A) Fire or Lightning;

B) Explosion: Except with respect to explosion of natural, coal or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the insured:

- (1) (a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
- (b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;

- (c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
- (d) smelt dissolving tanks;
- (2) other vessels and apparatus, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
- (3) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
- (4) any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosions;
- (5) gas turbines;

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

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

- C) Impact by Aircraft, Spacecraft or Land Vehicle: the terms "Aircraft" and "Spacecraft" include articles dropped therefrom.

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

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

- D) 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.

- E) Leakage from Fire Protective Equipment: the term Leakage from Fire Protective Equipment means the leakage or discharge of water or other substance from within the equipment used for fire protection purposes for the premises described on the Declarations Page or for adjoining premises and loss or damage caused by the fall or breakage or freezing of such equipment.

- F) Windstorm or Hail: there shall in no event be any liability hereunder for loss or damage:

- (a) to the interior of the buildings insured or their contents unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
- (b) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslip.

"Premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at locations described on the "Declarations Page" and in or on vehicles within 100 metres (328 feet) of such locations.

All other terms and conditions remain unchanged.

REPLACEMENT COST ENDORSEMENT

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

This Endorsement modifies insurance provided under the property form(s) to which it is attached.

This endorsement applies separately to each location for which Replacement Cost is specified on the "Declarations Page".

1. The Insurer agrees to amend the Basis of Valuation from actual cash value to "replacement cost" subject to the following provisions:
 - (a) replacement shall be effected by the Insured with due diligence and dispatch;
 - (b) replacement shall be on the same site or on an adjacent site;
 - (c) settlement on a "replacement cost" basis shall be made only when "replacement" has been effected by the Insured and in no event shall it exceed the amount actually and necessarily expended for such "replacement";
 - (d) any other insurance effected by or on behalf of the Insured in respect of the perils insured against by this Policy on the property to which this endorsement is applicable shall be on the basis of "replacement cost";
 - (e) failing compliance by the Insured with any of the foregoing provisions, settlement shall be made as if this endorsement had not been in effect;
2. In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that lost or damaged and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purpose of this endorsement.

3. Exclusions

This endorsement does not apply to:

- (a) "stock";
- (b) patterns, dies and moulds;
- (c) paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture, rare books, antique silver, porcelain, rare glassware, bric-a-brac or other articles of art, rarity or antiquity;
- (d) business records, including those which exist on electronic or magnetic media (other than pre-packaged software programs);
- (e) any increase in the cost of "replacement" occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

4. Definitions

- (a) "replacement" includes repair, construction or re-construction with new property of like kind and quality; and
- (b) "replacement cost" means whichever is the least of the cost of replacing, repairing, constructing or re-constructing the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation.

All other terms and conditions remain unchanged.

DELUXE PLUS ENDORSEMENT

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

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

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

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

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

The insurance under this policy is extended to insure personal property of officers and employees of the Insured. At the option of the Insured, "equipment" includes personal property of officers and employees of the Insured. The insurance on such property:

- (i) shall not attach if it is insured by the owner, unless the Insured is obliged to insure it or is liable for its loss or damage;
- (ii) is, in any event, limited to a maximum recovery;
 - 1) As shown in the Deluxe Plus Endorsement Schedule, in respect of any one officer or employee;
 - 2) As shown in the Deluxe Plus Endorsement Schedule, in any one occurrence;
- (iii) shall apply only to loss or damage occurring at the "premises".

2. **Growing Plants, Trees, Shrubs or Flowers in the Open**

The insurance under this policy is extended to insure loss of or damage to growing plants, trees, shrubs or flowers outside the "building" caused directly by "Named Perils" with the exception of windstorm or hail (as described in the form to which this endorsement is attached) or from theft or attempted theft. This extension is limited to a maximum recovery, including debris removal expense, as shown in the Deluxe Plus Endorsement Schedule in any one occurrence.

3. **Accounts Receivable**

The insurance under this policy is extended to insure:

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

This extension does not insure against loss or damage:

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

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

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

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

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

4. **Stock Spoilage**

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

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

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

Limit of Insurance

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

Exclusions

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

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

Definition

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

5. Building By-Laws

Indemnity Agreement

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

- (a) loss occasioned by the demolition of any undamaged portion of the "building" ;
- (b) the cost of demolishing and clearing the site of any undamaged portion of the "building" ;
- (c) any increase in the cost of repairing, replacing, constructing or reconstructing the "building" on the same 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

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

Exclusions

This extension does not insure against:

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

6. Inflation Protection

- (a) The amount of insurance applicable to "building" shall increase during the policy period by the proportion by which the latest published Statistics Canada Non- Residential Building Construction Price Indexes has increased since the last "premium due date".
- (b) At the "premium due date", the amount of insurance shall be increased automatically in accordance with the latest published Statistics Canada Non- Residential Building Construction Price Indexes and the appropriate premium charged.

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

(d) **Definition**

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

7. Exhibition Coverage

The insurance under this policy is extended to insure "stock" and "equipment" while temporarily on exhibition at any location not owned by the Insured in Canada or the continental United States of America including while in transit to and from such locations. This extension is limited to a maximum recovery as shown in the Deluxe Plus Endorsement Schedule in any one occurrence.

8. Automatic Fire Suppression System Recharge Expense

The insurance under this policy is extended to insure any automatic fire suppression system recharge expense incurred by the Insured due to the leakage or discharge of the fire suppressant within any automatic fire suppression system at the "premises" where such discharge or leakage is caused by or results from an insured peril. This extension is limited to a maximum recovery as shown in the Deluxe Plus Endorsement Schedule in any one occurrence.

9. Brands and Labels

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

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

10. Fire Fighting Expenses

The insurance under this policy is extended to insure any fire fighting expenses the Insured is charged by a Municipality, when the fire department is called to save or protect the property insured under this policy, as a result of a fire covered by this policy. This extension is limited to a maximum recovery as shown in the Deluxe Plus Endorsement Schedule in any one occurrence

11. Temporary Locations

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

This extension is limited to a maximum recovery as shown in the Deluxe Plus Endorsement Schedule in any one occurrence

12. Newly Acquired Locations

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

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

13. a) Removal: If any of the insured property is necessarily removed from the "premises" to prevent loss or damage to or further loss of or damage to such property, that part of the insurance under this extension that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 7 days only, or for the unexpired term of the policy if less than 7 days, insure the property removed and any property remaining at the "premises" in the proportions which the value of the property in each of the locations bears to the value of the property in them all.

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

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

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

ii) Removal of Windstorm Debris: The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this form but which has been blown by windstorm upon the "premises"

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

- (a) to "clean up" pollutants from land or water; or

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

Debris removal expense shall not be considered in the calculation of the value as determined in Clause 14 of Form 403700 for the purpose of applying co-insurance.

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

14. Transit

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

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

15. Peak Season Increase

The amount(s) of insurance shown on the "Declarations Page" for "stock" or the amount shown as estimated "stock", whichever is lesser, is increased by 25% to provide for seasonal variations. This increase, however, will only apply if the amount(s) of insurance shown on the "Declarations Page" applicable to "stock" or the estimated "stock" value is equal to at least one hundred percent (100%) of the Insured's average monthly values for twelve (12) months immediately preceding the date of loss or, in the event the Insured has been in business for less than twelve (12) months, for such shorter period of time.

16. Contents Off Premises in the custody of Sales Representatives

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

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

17. Land and Water Pollution Clean Up Expense

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

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

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

No Automatic Reinstatement

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

The Insurer shall not be liable for:

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

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

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

As used in this extension:

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

18. Building Damage by Theft

The insurance under this policy is extended to insure damage (except by fire) to that part of a "building" occupied by the Insured, directly resulting from theft or attempted theft and from vandalism or malicious acts committed on the same occasion, provided the Insured is not the owner of such "building" and is legally liable for such damage and the "building" is not otherwise insured under this Policy. This extension of coverage shall be limited to a maximum recovery as shown in the Deluxe Plus Endorsement Schedule in any one occurrence.

19. Extra Expense

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

As used in this extension:

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

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

20. Valuable Papers

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

This extension does not insure against loss or damage:

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

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

As used in this extension:

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

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

21. Off Premises Services Interruption

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

This extension only applies to loss, as insured by the Business Income section of this policy, due to "service interruption".

This extension does not cover loss, as insured by the Business Income section of this policy, during the first 24 consecutive hours of loss of "services" or directly or indirectly arising from:

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

The maximum amount payable under this extension for any one occurrence, regardless of the number of persons and interests insured under the Business Income section, is as shown in the Deluxe Plus Endorsement Schedule.

As used in this extension:

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

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

22. Electronic Data Processing Equipment and Media Including Breakdown Coverage

The insurance under this policy is extended to insure against direct physical loss or damage by an insured peril to electronic data processing and word processing equipment including their component parts, and "electronic media" at the "premises".

This extension does not insure:

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

As used in this extension:

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

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

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

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

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

23. Fine Arts

The insurance under this policy is extended to insure against all risks of direct physical loss of or damage to Fine Arts, while such property is at the "premises".

This extension does not insure:

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

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

This extension of coverage shall be limited to a maximum recovery as shown in the Deluxe Plus Endorsement Schedule for any one item, any one occurrence.

24. Installation Floater

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

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

Additional Exclusions:

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

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

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

25. Professional Fees

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

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

26. Exterior Building Glass

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

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

27. Signs

The insurance under this policy is extended to insure loss or damage caused by a peril insured against to exterior signs located on the "premises". This extension of coverage shall be limited to a maximum recovery as shown in the Deluxe Plus Endorsement Schedule in any one occurrence.

28. Master Key

The insurance under this policy is extended to insure the cost of replacing or re-tooling locks following loss or damage caused by a peril insured against to master keys, electronic passes or access cards that control doors at the "premises" described on the "Declarations Page".

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

29. 3 D Crime Coverage

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

COVERAGE A - Employee Dishonesty

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

This extension does not apply to:

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

COVERAGE B - Loss Inside the Premises

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

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

This extension does not apply to:

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

COVERAGE C - Loss Outside the Premises

This extension insures, under Coverage C to an amount not exceeding in the aggregate as shown in the Deluxe Plus Endorsement Schedule for Loss Outside the Premises,

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

This extension does not apply to:

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

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

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

COVERAGE D - Money Orders and Counterfeit Paper Currency

This extension insures, under Coverage D to an amount not exceeding in the aggregate as shown in the Deluxe Plus Endorsement Schedule for Money Orders and Counterfeit Paper Currency, loss or damage 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.

COVERAGE E - Depositors Forgery

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

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

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

The Insured shall be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Coverage E, whether sustained by the Insured or such bank, shall be paid directly to the Insured in its own name, except in cases where such bank shall have already fully reimbursed the Insured for such loss. The liability of the Insurer to such bank for such loss shall be a part of and not in addition to the amount of insurance applicable to the Insured's office to which such loss would have been allocated had such loss been sustained by the Insured. If the Insured or such bank shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Insured or such bank to enforce such payment and the Insurer shall give its written consent to the defence of such suit, then any reasonable attorney's fees, court costs or similar legal expenses incurred and paid by the Insured or such bank in such defence shall be construed to be a loss under Coverage E and the liability of the Insurer for such loss shall be in addition to any other liability under Coverage E.

COMMON EXCLUSIONS

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

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

SPECIAL CONDITIONS

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

1. Ownership of Property - Interests Covered

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

2. Limits of Liability - Settlement Options

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

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

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

3. Non-Accumulation of Limit of Liability

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

4. Insured's Duties When Loss Occurs

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

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

5. Superseded Insurance

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

6. No Benefits to Bailee

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

7. Subrogation

In the event of any payment under this Crime Extensions of coverage, the Insurer shall be subrogated to all the Insured's rights of recovery 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 a loss to prejudice such rights.

8. Waiver of Term or Condition

No term or condition of this form shall be deemed to be waived by this Insurer in whole or in part unless the waiver is clearly expressed in writing by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this form by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this form.

DEFINITIONS

Wherever used in this Crime Extensions of Coverage:

- a) "Banking Premises" means the interior of that portion of any building which is occupied by a banking institution in conducting its business.
- b) "Custodian" means the Insured or any employee who is duly authorized by the Insured or a partner of the Insured to have the care and custody of the insured property within the premises, excluding any person while acting as a watchman, porter or janitor.
- c) "Employee" means any natural person (except a director or trustee of the Insured, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the regular service of the Insured in the ordinary course of the Insured's business during the policy period and whom the Insured compensates by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. As applied to loss under Coverage A, the above words "while in the regular service of the Insured" shall include as many of the first 30 days thereafter as are within the policy period.
- d) "Fraudulent or Dishonest Acts" means only fraudulent or dishonest acts committed by such employee with the manifest intent:
 - i) to cause the Insured to sustain such loss; and
 - ii) to obtain financial benefit for the employee, or for any other person or organization intended by the employee to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.
- e) "Messenger" means the Insured or a partner of the Insured or any employee who is duly authorized by the Insured to have the care and custody of the insured property outside the premises.
- f) "Money" means currency, coins, bank notes and bullion, travellers cheques, register cheques and money orders held for sale to the public.
- g) "Premises" means the interior of that portion of any building at a location specified on the "Declarations Page" which is occupied by the Insured in conducting its business. As respects robbery only, the premises shall also include the space immediately surrounding such building.
- h) "Robbery" means the taking of insured property:
 - i) by violence inflicted upon a messenger or a "custodian";
 - ii) by putting the messenger or "custodian" in fear of violence;
 - iii) by any other overt felonious act committed in the presence of a messenger or "custodian" and of which he/she was actually cognizant, provided such other act is not committed by an officer, partner or employee of the Insured;
 - iv) from a messenger or "custodian" who while having custody of the insured property has been killed or rendered unconscious;
 - v) from within the premises by means of compelling a messenger or "custodian" by violence or threat of violence while outside the premises to admit a person into the premises or to furnish them with means of ingress into the premises.
- i) "Safe Burglary" means the felonious abstraction of:
 - i) a safe from within the premises;
 - ii) insured property from within a vault or safe located within the premises by a person making a felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by at least one combination or time lock thereon, provided that such entry shall be made by actual force and violence, of which force and violence there are visible marks upon the exterior of all such doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made if not made through such doors.
- j) "Securities" means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.

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

COMMON LIABILITY CONDITIONS

All Coverage Forms included in this policy (except the Non-Owned Automobile Policy and the Owners and Contractors Protective Liability Coverage Forms, if applicable) are subject to the following conditions except if modified or supplemented by the forms and/or endorsements attached.

A. CANADIAN CURRENCY CLAUSE

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

B. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by giving the first Named Insured fifteen days notice of cancellation by registered mail or five days written notice of cancellation personally delivered. Except in Quebec, the fifteen days mentioned above begins on the day following the receipt of the registered letter at the Post Office to which it is addressed.
3. In Quebec, the notice of cancellation from us will take effect fifteen days after receipt by the first Named Insured.
4. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
5. The policy period will end on the date cancellation takes effect.
6. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

C. CHANGES

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

D. EXAMINATION OF YOUR BOOKS AND RECORDS

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

E. INSPECTIONS AND SURVEYS

We have the right but are not obliged to :

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

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

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

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

F. PREMIUMS

The first Named Insured shown in the Declarations :

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

G. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

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

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

DESCRIPTION OF TERMS USED AS PREMIUM BASES

Premiums are computed in accordance with our manual rules and rates. The First Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request. Refer to the Premium Audit Condition of the Coverage Form.

Following are general descriptions of several premium bases we use. Consult your agent or broker for details and information regarding proper record maintenance.

| Bases of Premium | Description |
|-------------------------|--|
| Area | <p>The total number of square metres of floor space at the insured premises, excluding that portion of basements used exclusively for storage or that portion of premises used for heating or air conditioning plant purposes.</p> <p>Rates apply per 100 square metres of area.</p> |
| Cost of Work | <p>The total cost of all operations performed for the Named Work Insured by independent contractors, including the cost of materials furnished, used or delivered for use in the execution of the work.</p> <p>Rates apply per \$1,000 of cost of work.</p> |
| Admissions | <p>The total number of persons, other than employees of the Named Insured, admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.</p> <p>Rates apply per 1,000 admissions.</p> |
| Payroll | <p>The total earnings for each owner, partner, executive officer and employee.</p> <p>Rates apply per \$1,000 of payroll.</p> |
| Revenue | <p>The gross amount of money charged for all work or services performed by or on behalf of the Named Insured or goods and products sold and distributed by the Named Insured or by others trading under the insured's name.</p> <p>Rates apply per \$1,000 of revenue.</p> |
| Each | <p>The unit of exposure is indicated in the Liability Rating Schedule.</p> <p>Rates apply per unit of exposure.</p> |
| Units | <p>A single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together or by a person living alone.</p> <p>Rates apply per unit.</p> |
| Total Cost | <p>The total cost of all work let or sublet in connection with each specific project, including:</p> <ol style="list-style-type: none">1. The cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work, and2. All fees, bonuses or commissions made, paid or due. <p>Rates apply per \$1,000 of total cost.</p> |

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under Paragraph 3. of Section II – Who is an Insured. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V –Definitions.

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

SECTION I – COVERAGES

COVERAGE A. BODILY INJURY and PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:

- (1) The amount we will pay for "compensatory damages" is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or medical expenses under Coverage C.

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

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

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for "compensatory damages" because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. "Compensatory damages" because of "bodily injury" include "compensatory damages" claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages":

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable legal fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be "compensatory damages" because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such legal fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which "compensatory damages" to which this insurance applies are alleged.

c. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment or employment compensation law or any similar law.

d. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph 2. d. (1) above.

This exclusion applies:

- (i) Whether the insured may be liable as an employer or in any other capacity; and
- (ii) To any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury.

This exclusion does not apply to:

- (a) Liability assumed by the insured under an "insured contract"; or
- (b) A claim made or an "action" brought by a Canadian resident "employee" on whose behalf contributions are made by or required to be made by you under the provisions of any Canadian provincial or territorial workers' compensation law, if cover or benefits have been denied by any Canadian Workers' Compensation Authority.

e. Aircraft or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others by or on behalf of any insured of:

- (i) Any aircraft, air cushion vehicle or watercraft; or
- (ii) Any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.

Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft that is:
 - (a) Less than 10 metres long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) "Bodily injury" to an "employee" of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any Canadian provincial or territorial workers' compensation law, if the "bodily injury" results from an "occurrence" involving watercraft.

f. Automobile

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the ownership, use or entrustment to others by or on behalf of the insured of any "automobile". Use includes operation and "loading or unloading". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".

This exclusion also applies to:

- (a) any motorized snow vehicle or its trailers falling within the definition of "automobile".
- (b) any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity whether or not it is required by law to be insured under a contract evidenced by a motor vehicle liability policy.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, use or entrustment to others of any "automobile".

This exclusion does not apply to:

- (1) "Bodily injury" to an "employee" of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any Canadian provincial or territorial workers' compensation law.
- (2) "Bodily injury" or "property damage" arising out of a defective condition in, or improper maintenance of, any "automobile" owned by the Insured while leased to others for a period of 30 days or more provided the lessee is obligated under contract to ensure that the "automobile" is insured.
- (3) the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment, but this exception does not apply when such equipment is used for the purpose of "loading or unloading".

g. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in your care, custody or control;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

h. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

i. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

j. Damage To Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

k. Recall of Products, Work or Impaired Property

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

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

l. Electronic Data

"Compensatory damages" arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

m. Personal and Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

n. Professional Services

"Bodily injury" (other than "incidental medical malpractice injury"), or "property damage" due to the rendering of or failure to render by you or on your behalf of any "professional services" for others, or any error or omission, malpractice or mistake in providing those services.

o. Abuse

- a. Claims or "actions" arising directly or indirectly from "abuse" committed or alleged to have been committed by an insured, including the transmission of disease arising out of any act of "abuse".
- b. Claims or "actions" based on your practices of "employee" hiring, acceptance of "volunteer workers" or supervision or retention of any person alleged to have committed "abuse".
- c. Claims or "actions" alleging knowledge by an insured of, or failure to report, the alleged "abuse" to the appropriate authority(ies).

p. Damage from Blasting, Pile Driving, Removal or Weakening of Support

"Property damage" arising out of:

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

This exclusion does not apply:

- (1) To "property damage" arising out of work performed on your behalf by any contractor or sub-contractor; or
- (2) To "property damage" included within the "products-completed operations hazard".

q. Asbestos – see Common Exclusions

r. Fungi or Spores – see Common Exclusions

s. Nuclear– see Common Exclusions

t. Pollution – see Common Exclusions

u. Terrorism – see Common Exclusions

v. War Risks – see Common Exclusions

COVERAGE B. PERSONAL and ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "action" that may result. But:

- (1) The amount we will pay for "compensatory damages" is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A, B and D.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages" that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

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

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media and Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

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

However, this exclusion does not apply to Paragraphs 22. a., b. and c. of "personal and advertising injury" under the Definitions Section.

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

k. Electronic Chatrooms or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Asbestos - see Common Exclusions

n. Fungi or Spores - see Common Exclusions

o. Nuclear - see Common Exclusions

p. Pollution - see Common Exclusions

q. Terrorism - see Common Exclusions

r. War Risks - see Common Exclusions

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within one year of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance as described in Section III - Limits of Insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation and Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

COVERAGE D. TENANTS' LEGAL LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "property damage" to which this insurance applies. This insurance applies only to "property damage" to premises of others rented to you or occupied by you. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:

- (1) The amount we will pay for "compensatory damages" is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage D.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A, B and D.

- b. This insurance applies to "property damage" only if:

- (1) The "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "property damage" occurred, then any continuation, change or resumption of such "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "property damage" after the end of the policy period.

- d. "Property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for "compensatory damages" because of the "property damage"; or
- (3) Becomes aware by any other means that "property damage" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Property damage" expected or intended from the standpoint of the insured.

b. Contractual Liability

"Property damage" for which the insured is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages" that the insured would have in the absence of the contract or agreement.

c. Asbestos – see Common Exclusions

d. Fungi or Spores – see Common Exclusions

e. Nuclear– see Common Exclusions

f. Pollution – see Common Exclusions

g. Terrorism – see Common Exclusions

h. War Risks – see Common Exclusions

COMMON EXCLUSIONS – COVERAGES A, B, C and D

This insurance does not apply to:

1. Asbestos

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

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

2. Fungi or Spores

a. "Bodily injury", "property damage", "personal and advertising injury" or " any other cost, loss or expense incurred by others, arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any "fungi" or "spores" however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "fungi" or "spores";

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

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

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

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

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

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

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

3. Nuclear Energy Liability

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

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

4. Pollution

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
 - (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment that is not an "automobile" or its parts, if such fuels, lubricants or other operating fluids escape from a mobile equipment part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
 - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or "action" by or on behalf of a governmental authority for "compensatory damages" because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Section (2) does not apply to liability for "compensatory damages" because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "action" by or on behalf of a governmental authority.

5. Terrorism

"Bodily injury", "property damage" or "personal and advertising injury" arising directly or indirectly, in whole or in part, out of "terrorism" or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

6. War Risks

"Bodily injury", "property damage" or "personal and advertising injury" arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D

1. We will pay, with respect to any claim we investigate or settle, or any "action" against an insured we defend:
 - a. All expenses we incur.
 - b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "action", including actual loss of earnings up to \$250 a day because of time off from work.
 - d. All costs assessed or awarded against the insured in the "action".
 - e. Any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against an "action" and an indemnitee of the insured is also named as a party to the "action", we will defend that indemnitee if all of the following conditions are met:
 - a. The "action" against the indemnitee seeks "compensatory damages" for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "action" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "action" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "action";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "action";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "action"; and
 - (b) Conduct and control the defense of the indemnitee in such "action".

So long as the above conditions are met, legal fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b. (2) of Section I – Coverage A – Bodily Injury and Property Damage Liability, such payments will not be deemed to be "compensatory damages" for "bodily injury" and "property damage" and will not reduce the limits of insurance.

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

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

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership, limited liability partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, limited liability partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your shareholders are also insureds, but only with respect to their liability as shareholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, limited liability partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
 - (c) For which there is any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury described in Paragraphs (1)(a) or (b) above;
 - (d) Arising out of his or her providing or failing to provide professional health care services; or
 - (e) To any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law.
 - (2) "Property damage" to property:
 - (a) Owned, occupied or used by
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership, limited liability partnership or joint venture), or any member (if you are a limited liability company).
 - b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Form.

3. Any organization you newly acquire or form, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverages A and D do not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "actions" brought; or
 - c. Persons or organizations making claims or bringing "actions".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. "Compensatory damages" under Coverage A, except "compensatory damages" because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
 - b. "Compensatory damages" under Coverage B; and
 - c. Medical expenses under Coverage C.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for "compensatory damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. "Compensatory damages" under Coverage A; and
 - b. Medical expenses under Coverage Cbecause of all "bodily injury" and "property damage" arising out of any one "occurrence".
5. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all "compensatory damages" because of all "personal and advertising injury" sustained by any one person or organization.
6. The Tenants' Legal Liability Limit is the most we will pay under Coverage D for "compensatory damages" because of "property damage" to any one premises.
7. Subject to 4. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person

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

8. Deductible

1. Our obligation under Bodily Injury Liability, Property Damage Liability and Tenants' Legal Liability to pay "compensatory damages" on your behalf applies only to the amount of "compensatory damages" in excess of any deductible amounts stated in the Declarations as applicable to such coverages, and the limits of insurance applicable to each "occurrence" for Bodily Injury Liability and Property Damage Liability and any one premises for Tenants' Legal Liability will be reduced by the amount of such deductible. The Products-Completed Operations Aggregate Limit and the General Aggregate Limit for such coverages shall not be reduced by the application of such deductible amount.
2. The deductible amounts stated in the Declarations apply as follows:
 - A. Per Claim Basis - if the deductible is on a per claim basis, the deductible amount applies:
 - 1) Under Coverage A:
 - a. Bodily Injury Liability or Property Damage Liability respectively:
 - (i) To all "compensatory damages" because of "bodily injury" sustained by one person, or
 - (ii) To all "compensatory damages" because of "property damage" sustained by one person or organization, as the result of any one "occurrence".
 - b. Bodily Injury Liability and Property Damage Liability combined, to all "compensatory damages" because of "bodily injury" and "property damage" sustained by one person or organization as the result of any one "occurrence".
 - 2) Under Coverage D. Tenants' Legal Liability, to all "compensatory damages" because of "property damage" sustained by one person or organization as the result of any one "occurrence".
 - B. Per Occurrence Basis - if the deductible is on a per occurrence basis, the deductible amount applies:
 - 1) Under Coverage A:
 - a. Bodily Injury Liability or Property Damage Liability respectively:
 - (i) To all "compensatory damages" because of "bodily injury" as the result of any one "occurrence", or
 - (ii) To all "compensatory damages" because of "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".

- b. Bodily Injury Liability and Property Damage Liability combined, to all "compensatory damages" because of "bodily injury" and "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".
 - 2) Under Coverage D. Tenants' Legal Liability, to all "compensatory damages" because of "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".
- 3. The terms of this insurance, including those with respect to:
 - a) our right and duty to defend any "action" seeking those "compensatory damages"; and
 - b) your duties in the event of an "occurrence", claim or "action"

apply irrespective of the application of the deductible amount.
- 4. We may pay any part or all of the deductible amount to effect settlement of any claim or "action" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

2. Canadian Currency Clause

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

3. Changes.

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

4. Duties In The Event Of Occurrence, Offense, Claim or Action

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "action" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "action" and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "action" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "action"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

5. Examination Of Your Books and Records.

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

6. Inspections and Surveys

- 1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under provincial or municipal statutes, ordinances, bylaws or regulations, of boilers, pressure vessels or elevators.

7. Legal Action Against Us

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

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

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for "compensatory damages" that are not payable under the terms of this Coverage Form or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

8. Other Insurance

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

a. Primary Insurance

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

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Property Insurance which also includes but is not limited to Builder's Risk, Installation Floater or similar coverage for "your work" or for premises of others rented to you or occupied by you;
 - (b) If the loss arises out of the maintenance or use of watercraft to the extent not subject to Exclusion e. of Section I – Coverage A – Bodily Injury and Property Damage Liability
- (2) Any other primary insurance available to you covering liability for "compensatory damages" arising out of the premises or operations or products-completed operations for which you have been added as an additional insured by attachment of an endorsement.

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

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

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

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

c. Method Of Sharing

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

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

9. Premium Adjustment

- a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.
- b. The Advance Liability Premium shown in the Declarations is a deposit premium only. At the end of each policy period we will compute the earned premium for that period. If such earned premium is greater than the liability premium initially charged, the first Named Insured shall pay the excess to us. If, however, the earned premium is less than the liability premium initially charged, we will return the excess to the first Named Insured subject to the retention of the minimum liability premium shown in the Declarations.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Premiums

The first Named Insured shown in the Declarations:

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

11. Representations Or Fraud

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us;
- c. We have issued this policy in reliance upon your representations; and
- d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

12. Separation Of Insureds, Cross Liability

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

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

13. Termination

- a. The first Named Insured shown in the Declarations may terminate this policy by mailing or delivering to us advance written notice of termination.
- b. Subject to paragraph c. below, we may terminate this policy by giving to the first Named Insured
 - (1) 5 days written notice of termination personally delivered, or
 - (2) 15 days notice of termination by registered mail if termination is for non-payment of premium, or
 - (3) 30 days notice of termination by registered mail if termination is for any other reason.

Registered mail termination takes effect 15 or 30 days after receipt of the letter by the post office to which it is addressed, depending upon the reason for termination.

- c. To the extent that the Civil Code of the Province of Quebec is applicable to this policy General Conditions and Provisions as set out in the Civil Code of the Province of Quebec apply. Accordingly, we may terminate this policy by giving to the first Named Insured
 - (1) 15 days notice of termination by registered mail if termination is for non-payment of premium, or
 - (2) 30 days notice of termination by registered mail if termination is for any other reason..

Registered mail termination takes effect 15 or 30 days after receipt of the notice at the last known address of the first Named Insured, depending upon the reason for termination.

- d. The policy period will end on the date termination takes effect.
- e. If this policy is terminated, we will send the first Named Insured any premium refund due. If we terminate, the refund will be pro rata. If the first Named Insured terminates, the refund may be less than pro rata. The termination will be effective even if we have not made or offered a refund.

14. Transfer Of Rights Of Recovery Against Others To Us

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

15. Transfer Of Your Rights and Duties Under This Coverage Form

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

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

SECTION V - DEFINITIONS

1. "Abuse" means any act or threat involving molestation, harassment, corporal punishment or any other form of physical, sexual or mental abuse.
2. "Action" means a civil proceeding in which "compensatory damages" because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Action" includes:
 - a. An arbitration proceeding in which such "compensatory damages" are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such "compensatory damages" are claimed and to which the insured submits with our consent.
3. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
4. "Automobile" means a land motor vehicle, trailer or semi trailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any attached machinery or equipment.
5. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
6. "Compensatory damages" means damages due or awarded in payment for actual injury or economic loss. "Compensatory damages" does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
7. "Coverage territory" means:
 - a. Canada and the United States of America (including its territories and possessions).
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of an insured person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communicationprovided the insured's responsibility to pay "compensatory damages" is determined in an "action" on the merits, in the territory described in a. above or in a settlement we agree to.
8. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
9. "Employee" includes a "leased worker" and a "temporary worker".
10. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
11. "Fissionable substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
12. "Fungi" includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "fungi" or "spores" or resultant mycotoxins, allergens or pathogens.
13. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
14. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
15. "Incidental medical malpractice injury" means "bodily injury" arising out of the rendering of or failure to render, during the policy period, the following services:
 - i) medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or
 - ii) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;by any insured or any indemnitee causing the "incidental medical malpractice injury" who is not engaged in the business or occupation of providing any of the services described in i) and ii) above.

16. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
 - d. Any other easement agreement;
 - e. An obligation, as required by ordinance or bylaw, to indemnify a municipality, except in connection with work for a municipality;
 - f. An elevator maintenance agreement;
 - g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "compensatory damages" because of "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render "professional services", including those listed in (1) above and supervisory, inspection, architectural or engineering activities.
17. "Leased worker" means a person leased to you by a labour leasing firm under an agreement between you and the labour leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
18. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an
 - (1) aircraft or watercraft ;
 - (2) "automobile" by means of attached machinery that is designed for and used exclusively for the purpose of loading and unloading of the "automobile" to which it is attached and has no other purpose;
 - b. While it is in or on an aircraft, watercraft or "automobile"; or
 - c. While it is being removed from an
 - (1) aircraft or watercraft;
 - (2) "automobile" by means of attached machinery that is designed for and used exclusively for the purpose of loading and unloading of the "automobile" to which it is attached and has no other purpose;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "automobile".

19. "Nuclear energy hazard" means the radioactive, toxic, explosive, or other hazardous properties of "radioactive material".
20. "Nuclear facility" means:
- a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or packaging waste;
 - c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste "radioactive material";
- and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
21. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
22. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
23. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
24. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Does not include "bodily injury" or "property damage" arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.
25. "Professional services" shall include but not be limited to:
- a. Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - b. Any professional service or treatment conducive to health;
 - c. Professional services of a pharmacist;
 - d. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
 - e. The handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
 - f. Any cosmetic, body piercing, tonsorial, massage, physiotherapy, chiropody, hearing aid, optical or optometrical services or treatments;
 - g. The preparation or approval of maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications;
 - h. Supervisory, inspection, architectural, design or engineering services;
 - i. Accountant's, advertiser's, notary's (Quebec), public notary's, paralegal's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, financial institution's, or consultant's professional advices or activities;
 - j. Any computer programming or re-programming, consulting, advisory or related services; or
 - k. Claim, investigation, adjustment, appraisal, survey or audit services.
26. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
27. "Radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by any nuclear liability act, law or statute, or any law amendatory thereof, as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.
28. "Spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".
29. "Temporary worker" means a person who is retained by you under a contract of service to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
30. "Terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.
31. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
32. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.

33. "Your work":
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
 - (2) The providing of or failure to provide warnings or instructions.

Description Of Terms Used For Rating Basis In The Liability Rating Schedule

Area - The total number of square metres of floor space at the insured premises, excluding that portion of basements used exclusively for storage or that portion of the premises used for heating or air conditioning plant purposes.

Rates apply per 100 square metres of area.

Basic - A basic charge is in addition to the premium developed from the application of exposure charges and applies per location.

Cost of Work (For work sublet to others) - The total cost of all operations performed for you by independent contractors, including the cost of materials furnished, used or delivered for use in the execution of the work.

Rates apply per \$1,000 of cost of work.

Admissions - The total number of persons, other than your employees, admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

Rates apply per 100 admissions.

Payroll - The total earnings for each owner, partner, executive officer and employee.

Rates apply per \$1,000 of payroll.

Revenue - The gross amount of money charged for all work or services performed by or on your behalf or for goods and products sold and distributed by you or by others trading under the your name.

Rates apply per \$1,000 of revenue.

Each - The unit of exposure is indicated in the Liability Rating Schedule.

Rates apply per unit of exposure.

Units - A single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together or by a person living alone.

Rates apply per unit.

Other - Rates apply per designated article. (i.e. person, object, event)