



TRIPLEGUARD™ INSURANCE

Policy Wording

Policy Number C3679100

Issued by Aviva Insurance Company of Canada



EPO

SECTION I - TRIPLEGUARD™ PLAN

(A) - OFFICE CONTENTS BROAD FORM

The Insurer agrees with the Insured that, if the property located or contained as described in the Declarations shall be lost, destroyed or damaged by the perils insured against, the Insurer will indemnify the Insured against such loss or damage to an amount not exceeding the limit of liability for the applicable section or subsection. 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 limit of liability specified for the applicable section.

PROPERTY INSURED

This section (A) insures all contents of every description usual to a dentist's office and/or surgery, and/or the offering of Related Services including:-

1. Dental equipment and instruments, tools, materials, drugs and supplies usual to the dental profession or the Related Services, furniture, fixtures and equipment, data processing equipment and media, interior and exterior signs and personal effects.
2. Tenant's improvements and betterments, meaning fixtures, alterations, installations or additions:
 - (a) Being part of a building the Insured occupies but does not own; and
 - (b) Acquired or made at the Insured's expense.
3. Property of others for which the Insured is responsible or may have assumed responsibility.
4. Betterments and Leaseholds when insured is a Condominium Unit Owner.

All while at the address shown in the Declarations or temporarily removed therefrom or, in respect to property (other than jewelry, precious or semi-precious stones or furs) while in transit within Canada and the Continental United States of America.

In the event a loss occurs outside the territorial limits of Canada and the continental United States of America, coverage shall be afforded for a limit not exceeding \$10,000.

GLASS

This section (A) covers all Glass (including seals, lettering and ornamentation), and any type of skylight of any materials, forming part of or contained in or on the premises occupied by the Insured as a dental office.

EMPLOYEE AND ASSOCIATE EFFECTS

At the option of the Insured, this section (A) insures personal property of the Insured's employees and associates, subject to a limitation of \$5,000 any one person. This insurance shall not attach if the property is insured by the owner unless the Insured is obligated to insure it or is liable for its loss or damage. This coverage shall only apply to loss or damage occurring at a location described in the Declarations.

FIRE DEPARTMENT CHARGES

The Insurer will pay Fire Department Charges assessed against the Insured where the Fire Department is called to save or protect covered property from a peril insured against, at the Insured's premises, or at other premises if the Insured's premises are exposed to damage. No deductible applies to this coverage.

LOCK REPLACEMENT

The Insurer will pay an amount not exceeding \$10,000 for the replacement of office locks if the keys to operate the locks are stolen during a burglary or stolen in conjunction with theft of other property. No deductible applies to this coverage.

AUTOMATIC COVERAGE

This section (A) automatically covers all newly acquired property of the kind insured herein, anywhere within the territorial limits of Canada and the Continental United States of America, for a limit of not more than \$100,000. Notice of such acquisition must be filed with The Policyholder within thirty (30) days of such acquisition. Adjustment of premium shall be effected from the date of acquisition.

DEBRIS REMOVAL

The Insurer will pay expenses incurred in the removal of debris which may be occasioned by loss or damage by a peril herein insured against. Coverage provided by this clause shall be an additional amount of insurance equal to 10% of the amount specified as the basic sum insured for Office Contents.

PERILS INSURED

This section (A) insures against (1) all risks of direct physical loss of or damage to the property insured except as specifically excluded; and (2) damage to that part of a building which the Insured occupies but does not own, directly resulting from theft or attempted theft and from vandalism or malicious acts committed on the same occasion, provided that the Insured is liable for such damage.

UNNAMED LOCATION COVERAGE

This section (A) automatically covers property of the kind insured under this section anywhere within the territorial limits of Canada and the continental United States of America for a limit of not more than \$50,000 at any location. This paragraph does not apply where coverage is available under the paragraphs entitled **PROPERTY INSURED** and/or **AUTOMATIC COVERAGE** nor to jewelry, precious or semiprecious stones or furs.

PROPERTY EXCLUDED

This section (A) does not insure:

- (a) animals, birds, fish and growing plants (except fish and growing plants are insured against fire, explosion, smoke, theft, malicious act(s) and leakage from any plumbing, heating or air conditioning system);
- (b) money, securities, notes, stamps, passports, tickets, gold and other precious metals, except as provided under Extension of Coverage. This exclusion does not apply to silver alloy (amalgam);
- (c) accounts, bills, deeds, evidences of debt, valuable papers, records, abstracts, manuscripts or other documents except as they may be converted to data processing media form or as provided under Extension of Coverage;
- (d) property illegally acquired, kept, stored or transported, or property seized or confiscated for breach of any law;

- (e) the building at the location specified in the Memorandum of Insurance issued to the Insured except to the extent that coverage is explicitly provided under this Section;
- (f) automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property, but this exclusion shall not apply to watercraft, amphibious or air cushion vehicles held for sale, unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "premises" of the Insured; or
- (g) 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.

PERILS EXCLUDED

This section (A) does not insure against:

- (a) wear and tear, gradual deterioration, insects, vermin or inherent vice, however, this exclusion shall not apply to damage resulting therefrom;
- (b) loss or damage caused by electrical disturbances or artificially generated electrical currents to electrical appliances or devices, unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion, but this exclusion does not apply to Data Processing Equipment;
- (c) mechanical or electrical breakdown unless caused by or resulting from a peril not otherwise excluded elsewhere in this policy, but this exclusion does not apply to Data Processing Equipment;
- (d) unless caused by fire or explosion, loss or damage by any process or while the property is actually being worked upon and resulting therefrom; except this exclusion shall not apply to resulting damage not excluded elsewhere in this section, or to Data Processing Equipment;
- (e) loss or damage due to seepage, leakage or influx of water derived from natural sources through basement walls, including doors, windows and other openings therein, foundations, basement floors, sidewalks or sidewalk lights, except this exclusion shall not apply to resulting damage not excluded elsewhere in this section nor if such damage is caused by or results from a peril not excluded elsewhere in this Section;
- (f) loss or damage from dampness or dryness of atmosphere, extremes or change of temperature, marring, scratching, crushing, rust or corrosion, exposure to light, or contamination; but this exclusion shall not apply to loss or damage caused directly by a peril otherwise insured and not otherwise excluded under this Section;
- (g) loss or damage caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (h) loss or damage caused by contamination by radioactive material;
- (i) loss caused by delay, loss of market or loss of use, except as may be provided under any Practice Interruption coverage of this Section;
- (j) loss or damage caused by error in machine programming or instructions to machine;
- (k) loss or damage caused 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;

- (l) loss or damage caused by any dishonest or criminal act on the part of the Insured or any other party of interest, employees or agents of the Insured, or any person to whom the property may be entrusted (bailees for hire excepted), but this exclusion does not apply to physical damage, caused directly by employees or agents or agent of the Insured, which results from a peril otherwise insured and not otherwise excluded under this Section.

Additional exclusions are contained under Endorsements 2, 3 and 4 to Section 1.

POLLUTION EXCLUDED

This policy does not insure, under Section I, except as provided under Extension of Coverage 10, 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 Section I (A);
 - (ii) to loss or damage caused directly by a peril not otherwise excluded under Section I (A);
- 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”.

EXTENSION OF COVERAGE

In consideration of the premium charged for Section I (A) the following additional coverages apply provided, however, that the liability shall in no event exceed the limit of liability shown in the Declarations as applicable to each such coverage.

1. VALUABLE PAPERS AND RECORDS

This extension insure for an amount not exceeding \$25,000 for loss of or damage to books of account, manuscripts, drawings, card index systems and other records, all the property of the Insured (including the extra expense necessarily incurred in reproduction).

2. GOLD AND OTHER PRECIOUS METALS

This extension insures for an amount not exceeding \$25,000 for loss of gold and other precious metals, other than silver alloy (amalgam), but the Insurer shall not be liable for loss caused by or resulting from misappropriation, secretion, conversion or any dishonest act on the part of the Insured or other party of interest or any person or persons to whom the property may be entrusted. In addition, such property is also insured against any loss by robbery or attempted robbery from a custodian whether on the premises or not, including from within the home of a custodian, and while engaged in his regular duties in connection with such property within the territorial limits of Canada and the continental United States of America.

This extension shall include the theft of property from within the premises by means of compelling a custodian by violence or threat of violence while outside the premises to admit a person to the premises or to furnish him with means of ingress into the premises, provided the loss shall occur before the premises are next open for business.

3. **ARSON REWARD**

The Insurer will pay a reward in the amount of \$5,000 as an additional amount of insurance, for information which leads to an arson conviction in connection with a fire loss covered under this policy. Regardless of the number of persons involved in providing information, the most payable in any one occurrence under this Extension of Coverage is \$5,000.

4a. **HALON AND CARBON DIOXIDE DISCHARGE**

The Insurer will pay for expenses actually incurred to recharge automatic halon or automatic carbon dioxide systems which protect the Insured's data processing operations when they:

- (a) Discharge as a result of a peril insured under this policy; or
- (b) Discharge accidentally.

The coverage provided by this clause does not apply at the time of installation, repair or recharging of the halon or carbon dioxide system.

4b. **FIRE EXTINGUISHER RECHARGE**

The Insurer will pay the expense the Insured incurs, as an additional amount of insurance, to recharge a portable fire extinguisher when it has been used to combat a covered fire. The most payable in any one occurrence is \$500.

No deductible applies to extension 4a) or 4b).

5. **ELEVATOR COLLISION**

The Insurer will pay for direct physical loss of or damage to the following property caused by accidental collision of any part of an elevator or of anything carried on the elevator with another part of the elevator or with another object:

- a. elevators;
- b. any other property the Insured owns, occupies, uses or rents;
- c. property of others that is in the Insured's care, custody or control for business purposes and for which the Insured is liable.

6. **ACCOUNTS RECEIVABLE**

This extension insures for an amount not exceeding \$25,000 on all sums due the Insured from patients, including interest charges thereon, provided the Insured is unable to effect collection thereof as a direct result of loss or damage to records of accounts receivable. This extension also insures additional expense necessarily incurred in collection procedures and restoration of the Accounts Receivable records.

7. **RENTAL VALUE**

(Applies when the Insured is not the building owner). This extension insures the Rental Value of that part of the building occupied by the Insured, unfurnished. The Insurer shall only be liable where the premises become untenable as a direct result of the perils insured against for the period of time required with the exercise of due diligence and dispatch to restore same to tenantable condition, less such charges and expenses as do not continue.

8. ADDITIONAL LEASE EXPENSE

This extension insures the extra lease expense resulting from loss or destruction of the insured premises, by a peril insured against, rendering the said premises unfit for occupation so that the Insured's lease is terminated under the terms of the lease agreement. Indemnity shall be based on the difference between the monthly rent on the new premises and the monthly rent on the insured premises multiplied by the number of months remaining on the lease at the insured premises. Such difference shall be calculated on the basis that the replacing is of similar size, condition and location without allowance for improvement.

9. INDUSTRIAL & COMMERCIAL CONDOMINIUM UNIT OWNERS

(A) UNIT OWNER'S CONTINGENT INSURANCE

Amount of Insurance: \$25,000.

1. In consideration of an additional premium of (included) and subject to the provisions herein and Section I (A) to which this endorsement is attached, said Section is hereby extended to insure the Insured's interest in the unit owned by him, excluding improvements or betterments made or acquired by him, up to the amount specified above, to the extent that it is not so insured by the Condominium Corporation or to the extent that the insurance placed by the Condominium Corporation is not effective or is inadequate.
2. In the event of loss or damage to the property insured herein during the term of this policy by the peril(s) insured against, the liability of the Insurer shall be determined as follows:
 - (a) If the property is repaired or replaced with due diligence and dispatch, the Insurer shall pay the actual expense (if any) incurred by the Insured for such repairs or replacement with material of the like kind and quality without deduction for depreciation, less any recovery for the benefit of the Insured for loss or damage to the unit owned by the Insured, from any insurance covering the collective interests of the unit owners.
 - (b) If the property is not repaired or replaced with due diligence and dispatch, the Insurer shall pay the actual cash value of the damaged or destroyed unit, less any recovery for the benefit of the Insured for loss or damage to such unit owned by the Insured, from any insurance covering the collective interests of the unit owners.
3. The Perils Insured Against by this endorsement are All Risks of direct physical loss or damage except as excluded in Section I (A) to which this endorsement is attached.

(B) LOSS ASSESSMENT

In consideration of an included premium, it is agreed the Insurer will pay the Insured's share of any special assessment up to the limit specified on each Memorandum of Insurance for Office Contents if:

1. The assessment is valid under the Condominium Corporation's governing rules, and;
2. It is made necessary by a direct loss to the collectively owned condominium property and caused by a peril insured by this policy.

The limit of insurance for Loss Assessment, is in addition to the limit specified on each Memorandum of Insurance for Office Contents, and not part thereof.

"Condominium Corporation" means a condominium or strata corporation established under provincial legislation.

10. Land and Water Pollution Clean Up

Indemnity Agreement

1. The Insurer will indemnify the Insured for expenses incurred to “clean up” “pollutants” from land or 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 by this policy ;
 - (b) is sudden, unexpected and unintended from the standpoint of the Insured and
 - (c) first occurs during the policy period.

Limit of Insurance

2. The liability of the Insurer in respect of this extension during any one policy period shall not exceed a limit of \$ 1,000,000 in the aggregate.

No Automatic Reinstatement

3. Notwithstanding the Reinstatement Clause in the General Conditions included in this Section following a loss under this provision the limit of insurance for this provision will be reduced by the amount payable for the remainder of the policy period.

Additional Exclusions

4. The Insurer shall not be liable for:
 - (a) expenses for “clean up” away from or beyond the “premises” resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants”, even if the “pollutants” emanated from the “premises”;
 - (b) expenses for “clean up” of any spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of “pollutants” that began before January 01 2000;
 - (c) fines, penalties, punitive or exemplary damages ;
 - (d) expenses incurred for the “clean up” of “pollutants” at or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, processing or treatment of waste.

Additional Policy Conditions

5A. Reporting Period

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

B. Other Insurance

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

CONDITIONS APPLICABLE TO SECTION I (A)

(A) BASIS OF LOSS SETTLEMENT (other than Valuable Papers and Records and Data Processing Equipment and Media)

In respect of loss or damage to any property insured under Section I (A) hereof, settlement shall be based on the cost of repairing, replacing or reinstating (whichever is the least) with material of like kind and quality on the same site without deduction for depreciation. Providing that:

- (i) the repairs, replacement or reinstatement must be executed with due diligence and dispatch;
- (ii) until repair, replacement or reinstatement has been effected the amount of liability under this section in respect to the loss shall be limited to the actual cash value of the property damaged, destroyed or lost at the time of loss. Liability shall, in no event, exceed the actual expenditure for repairs, replacement or reinstatement.

(B) BASIS OF LOSS SETTLEMENT (Data Processing Equipment and Media):

(1) APPLICABLE TO MEDIA:

The measure of recovery shall be the full cost of replacement and reproduction including any cost of data research and program reconstruction; if not replaced or reproduced, then the Insurer shall only be liable for the blank value of media.

(2) APPLICABLE TO DATA PROCESSING EQUIPMENT:

The measure of recovery shall be the full cost to replace the damaged or destroyed equipment, if repaired or replaced. If not repaired or replaced, then the Insurer shall only be liable for the actual cash value of the property insured at the time of loss.

(3) BASIS OF LOSS SETTLEMENT (Valuable Papers and Records) :

The liability of the Insurer for loss or damage to books of account, manuscripts, drawings, card index systems and other records, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records.

2. DEDUCTIBLE CLAUSE

- (a) Except as otherwise specified in this section, each claim for loss or damage shall be adjusted separately and from the amount of each such adjusted claim the amount of \$ 1,000. shall be deducted. This deductible shall not apply to losses, which, when finally adjusted, exceed \$5,000. This clause does not apply to claims for earthquake as described in Clause 2 (c), (d) and (e) or claims under the Optional Breakdown Coverage Extension Endorsement or claims where the Repeat Claims Deductible is applicable.
- (b) In the event that the Memorandum of Insurance is subject to a \$ 2,500. deductible, this deductible shall apply to all losses, including those which exceed \$5,000, other than fire department charges, lock replacement, halon and carbon dioxide discharge or fire extinguisher recharge (for which no deductible is applicable) or earthquake as described in Clause 2 (c), (d) and (e) or claims under the Optional Breakdown Coverage Extension Endorsement.

- (c) Earthquake deductible applicable to Cresta zones 1-4 in the Province of British Columbia:

When the amount of insurance as shown on the Memorandum of Insurance at the time of loss is \$500,000 or less, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 10% of the amount of insurance as shown on the Memorandum of Insurance.

When the amount of insurance as shown on the Memorandum of Insurance at the time of the loss is in excess of \$500,000, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 10% of the amount of insurance as shown on the Memorandum of Insurance subject to a \$100,000 minimum deductible in any one occurrence.

- (d) Earthquake deductible applicable to Quebec and the Province of British Columbia, excluding Cresta zones 1-4 in the Province of British Columbia:

When the amount of insurance as shown on the Memorandum of Insurance at the time of loss is \$500,000 or less, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance.

When the amount of insurance as shown on the Memorandum of Insurance at the time of the loss is in excess of \$500,000, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance subject to a \$100,000 minimum deductible in any one occurrence.

- (e) Earthquake deductible applicable to the rest of Canada excluding the Provinces of British Columbia and Quebec:

When the amount of insurance as shown on the Memorandum of Insurance at the time of loss is \$500,000 or less, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance.

When the amount of insurance as shown on the Memorandum of Insurance at the time of the loss is in excess of \$500,000, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance at the time of the loss subject to a \$50,000 minimum deductible in any one occurrence.

Should the Named Insured have any other valid policy with Aviva, where insurable property is also insured with earthquake coverage at the insured location shown on the Memorandum of Insurance, only one deductible would apply per earthquake occurrence; whichever deductible is greater.

This deductible clause supersedes the provisions of any other deductible clause stated elsewhere in the Memorandum of Insurance.

3. REPEAT CLAIMS DEDUCTIBLE CLAUSE

- a) A Repeat Claims Deductible of \$ 2,500. will be assessed on all claims to which such deductible is applicable instead of the \$ 1,000. standard coverage deductible, if :
- an Insured makes three or more claims within a three year period; and
 - loss payments have been made on each of these claims by the Insurer, other than payments of administrative, legal, or adjusting costs.
- b) In September of each year the Insurer will provide to The Policyholder a list dated as of June 30th of that year of the Insureds with three or more claims under the Tripleguard™ Insurance Plan coverage in the preceding three years and effective June 30th of the preceding three years to June 30th of the current year. The list will include the name of the Insured, the date of loss, the amounts of any loss payments, and the amounts of any legal or adjusting costs.
- The Policyholder will then prepare a coverage renewal notice advising that the Insured will be subject to an increased deductible of \$ 2,500. when coverage is renewed. The renewal notice will include the relevant claim details as set out in the list prepared by the Insurer.
- c) The Repeat Claims Deductible will apply to the Insured's coverage until the Insured has completed a three year period in which no claims with loss payments have been made by the Insurer, other than payments of administrative, legal or adjusting costs.

DEFINITIONS

"Data Processing Equipment and Media", for the purpose of this policy, is defined as Data Processing Systems including equipment and component parts thereof and Media owned by the Insured or leased, rented or under the control of the Insured including property of others for which the Insured may be liable.

The term "Media" wherever used in this policy, shall mean all forms of converted data, program, or instruction vehicles employed in the Insured's data processing operation.

"Associate" wherever used in this policy, means an Eligible Member who is, at the time of application and the time of any claim, engaged by a dentist who is licensed or possesses a certificate to practice dentistry in a province or territory of Canada to provide professional services to such dentist's practice, coverage does not apply to any locations owned or operated by the associate.

"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

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

"Premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations insured on the Memorandum of Insurance and in or on vehicles within 100 meters (328 feet) of such locations.

"Insured" means the Insured named on the Memorandum of Insurance and any corporation, including any subsidiary, affiliated or associated corporation, through which all or any part of the dental practice of an Insured named on the Memorandum of Insurance is carried on, where such named Insured has an interest, but only to

the extent of such named Insured's financial interest and only at the location specified in the Memorandum of Insurance.

“Related Services “ means all non-dental services offered by an Insured in conjunction with the Named Insured’s dental practice.

SECTION I - TRIPLEGUARD™ PLAN

(B) PRACTICE INTERRUPTION INSURANCE

GROSS INCOME - ACTUAL LOSS SUSTAINED BASIS

This Section I(B) insures against Loss of Gross Income resulting from the necessary interruption of the Insured's practice caused directly by the perils insured hereunder damaging or destroying real or personal property during the term of this policy at the premises described in the Declarations.

INSURING AGREEMENT

The Insurer agrees with the Insured, subject to the terms and conditions expressed herein, that so long as this policy shall be in force if any real or personal property used by the Insured for the purposes of the Insured's practice shall be destroyed or damaged by a peril insured against at any time during the period of this insurance and the practice carried on by the Insured at the said premises be in consequence thereof interrupted or interfered with, the Insurer will pay the Insured the amount of the loss resulting from such interruption or interference in accordance with the provisions herein contained.

The insurance provided by this section is limited to loss of gross income due to:

(a) Reduction in Gross Income; and

(b) Increase in Cost of Working;

and the amount payable as indemnity thereunder shall be:

(a) **REDUCTION IN GROSS INCOME:** The amount by which the Gross Income during the Indemnity Period shall, in consequence of the destruction or damage, fall short of the Standard Gross Income.

(b) **IN RESPECT OF INCREASE IN COST OF WORKING:** The additional expenditures necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Reduction in Gross Income which but for that expenditure would have taken place during the Indemnity Period in consequence of the destruction or damage, but not exceeding the Reduction in Gross Income thereby avoided.

less any sum saved during the Indemnity Period in respect of such of the working expenses and standing charges of the practice as may cease or be reduced in consequence of the destruction or damage by the perils insured against.

DEFINITIONS

The following terms wherever used in this section shall mean:

INSURED: As defined under Section I (A) Office Contents – Broad Form.

GROSS INCOME: The money paid or payable to the Insured in connection with the operation of a dental practice, and/or the offering of "Related Services" in conjunction with the dental practice during the term of this policy in the course of business at the location(s) shown on the Memorandum of Insurance.

INDEMNITY PERIOD: The period beginning with the occurrence of the destruction or damage by a peril insured against and ending not later than the Maximum Indemnity Period of twelve (12) months thereafter, during which results of the business shall be affected in consequence of the destruction or damage.

ANNUAL GROSS INCOME: The Gross Income during the twelve months immediately before the date of destruction or damage by a peril insured against.

STANDARD GROSS INCOME: The Gross Income during that period in the twelve months immediately before the date of the destruction or damage by a peril insured against which corresponds with the Indemnity Period.

To which such adjustments shall be made as may be necessary to provide for the trend of, variations in or special circumstances affecting the Gross Income either before or after the destruction or damage by a peril insured against or which would have affected Gross Income had the destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the destruction or damage by a peril insured against would have been obtained during the relevant period after the destruction or damage by a peril insured against.

NORMAL: Wherever used in this section, “normal” means the condition that would have existed had no loss occurred.

ALTERNATIVE TRADING CLAUSE

If during the Indemnity Period work shall be done or services rendered elsewhere than at the location(s) shown on the Memorandum of Insurance for the benefit of the business, either by the Insured or by others on the Insured’s behalf, the money paid or payable in respect of such work or services shall be brought into account in arriving at the Gross Income during the Indemnity Period.

PROVISIONS

The Insurer shall not be liable for:

- (a) any increase of loss directly or indirectly, proximately or remotely resulting from, or contributed to by, the operation of any by-law, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, unless the liability is otherwise specifically assumed by endorsement hereon;
- (b) any increase of loss due to interference at the described premises by strikers or other persons, with rebuilding, repairing or replacing the property, or with the resumption or continuation of business;
- (c) loss due to fines, bad debts or damages for breach of contract for late or non-completion of orders or for any penalties of whatever nature;
- (d) loss due to the suspension, lapse or cancellation of any lease or license, contract or order which may affect the Insured’s Gross Income after the period following any loss during which indemnity is payable;
- (e) any other consequential loss or remote loss, except as may be provided for elsewhere in this section.

PROFESSIONAL FEES

The Insurer shall pay up to \$25,000 on fees for professional services payable by the Insured for the purpose of producing and certifying details of the Insured’s business required in order to arrive at the amount payable under this section (B) in the event of a claim.

PERILS INSURED

This section (B) insures against (1) all risks of direct physical loss of or damage to the property insured except as specifically excluded; and (2) damage to that part of a building which the Insured occupies but does not own, directly resulting from theft or attempted theft and from vandalism or malicious acts committed on the same occasion, provided that the Insured is liable for such damage.

PROPERTY EXCLUDED

The Insurer shall not be liable for loss of Gross Income resulting from loss of or damage to:
As shown under Section I (A) Office Contents – Broad Form.

PERILS EXCLUDED

The Insurer shall not be liable for loss of Gross Income resulting from loss of or damage to:
As shown under Section I (A) Office Contents – Broad Form.

Additional exclusions are contained under Endorsements 2, 3 and 4 to Section 1.

POLLUTION EXCLUDED

The Insurer shall not be liable for loss of Gross Income against:
As shown under Section I (A) Office Contents – Broad Form.

DEDUCTIBLE CLAUSE

The following deductible clause applies only when there is a Practice Interruption loss under this Section 1(B) Practice Interruption Insurance, Gross Income, and there is no direct damage property loss at the same location under Section I (A) – Office Contents Broad Form

- (a) Earthquake deductible applicable to Cresta zones 1-4 in the Province of British Columbia:

When the amount of insurance as shown on the Memorandum of Insurance at the time of loss is \$500,000 or less, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 10% of the amount of insurance as shown on the Memorandum of Insurance.

When the amount of insurance as shown on the Memorandum of Insurance at the time of the loss is in excess of \$500,000, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 10% of the amount of insurance as shown on the Memorandum of Insurance subject to a \$100,000 minimum deductible in any one occurrence.

- (b) Earthquake deductible applicable to Quebec and the Province of British Columbia, excluding Cresta zones 1-4 in the Province of British Columbia:

When the amount of insurance as shown on the Memorandum of Insurance at the time of loss is \$500,000 or less, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance.

When the amount of insurance as shown on the Memorandum of Insurance at the time of the loss is in excess of \$500,000, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance subject to a \$100,000 minimum deductible in any one occurrence.

- (c) Earthquake deductible applicable to the rest of Canada excluding the Provinces of British Columbia and Quebec:

When the amount of insurance as shown on the Memorandum of Insurance at the time of loss is \$500,000 or less, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance.

When the amount of insurance as shown on the Memorandum of Insurance at the time of the loss is in excess of \$500,000, the Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds 5% of the amount of insurance as shown on the Memorandum of Insurance at the time of the loss subject to a \$50,000 minimum deductible in any one occurrence.

Should the Named Insured have any other valid policy with Aviva, where insurable property is also insured with earthquake coverage at the insured location shown on the Memorandum of Insurance, only one deductible would apply per earthquake occurrence; whichever deductible is greater.

This deductible clause supersedes the provisions of any other deductible clause stated elsewhere in the Memorandum of Insurance.

OFF PREMISES EXTENSION:

The insurance provided by Section 1(B) Practice Interruption Insurance, Gross Income, is extended to include direct loss of Gross Income resulting from damage to or destruction of any premises or equipment within Canada located away from the premises occupied by the Insured when such damage or destruction is caused by the perils insured against:

- (a) when loss results other than from damage to or destruction of off-premises poles, towers or transmission or distribution lines, subject to a maximum limit of liability in any one policy period of \$100,000; or
- (b) if loss results from damage to or destruction of off-premises poles, towers or transmission or distribution lines, subject to a maximum limit of liability of \$10,000 in any one loss.

This extension of coverage only applies when the damage or destruction causes a practice interruption, and in the event of power outage, the power outage would need to subsist for at least 12 consecutive hours. Any approved loss would be payable retroactively to the first hour of practice interruption.

CONTINGENT BUSINESS INCOME EXTENSION:

The insurance provided by Section I (B) Practice Interruption Insurance, Gross Income is extended to include loss of Gross Income, as described in the Insuring Agreement of this Section resulting from interruption of the Insured's practice in consequence of direct physical loss of or damage to property, from a Peril Insured, under Section I at any "Premises" not owned or operated by the Insured which supplies, contracts or assists the Insured's practice in any way, and which would affect the Insured's practice, or which would wholly or partially prevent the acceptance of services provided by the Insured if property at such premises is destroyed or damaged.

The Insurer's maximum limit of liability under this extension, regardless of the number of persons and interest insured under the Practice Interruption section of the policy, in respect of any one Contingent Premises shall not exceed \$100,000.

INTERRUPTION BY CIVIL AUTHORITY COVERAGE EXTENSION

The insurance provided by Section I (B) Practice Interruption Insurance, Gross Income is extended to insure the loss of Gross Income suffered by the Insured during the period of time, not exceeding four weeks, while access to the "Premises" is prohibited by order of civil authority, but only when such order is given as a direct result of damage to neighboring premises by a peril insured against under this Form.

INGRESS AND EGRESS COVERAGE EXTENSION

The insurance provided by Section I (B) Practice Interruption Insurance, Gross Income is extended to include the loss of "Gross Income" sustained by the Insured because of loss or damage by a peril insured to property covered under the Memorandum of Insurance that impairs the ingress to or egress from premises insured under the Memorandum of Insurance.

OTHER EXTENSIONS OF COVERAGE

1. If the Insured's dental practice is affected by an extraordinary insect and/or vermin infestation necessitating the closure of the practice for a minimum of four continuous normal working hours due to the fumigation and/or other pest control services the Insurer shall be liable under this section (B) for a payment to the Insured of an amount not exceeding \$2,500 in any one loss.

The Insurer shall not be liable, however for any loss resulting from normal preventative and/or maintenance pest control programs.

2. If the Insured's dental practice is affected by an unexplained power loss and/or power surge, necessitating the closure of the practice for a minimum of four continuous normal working hours, the Insurer shall be liable under this section (B) for a payment to the Insured of an amount not exceeding \$2,500 in any one loss.

EXPEDITING AND EXTRA EXPENSE

3. COVERAGE:

In the event of loss insured hereunder and in addition to the reimbursement otherwise provided, the Insurer shall also pay for the Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal conduct of the business, including the reasonable extra cost of temporary repair and of expediting the repair of such valuable papers, and construction models, including overtime and the extra cost of express or other rapid means of transportation and use of temporary facilities, due to destruction of or damage to any property insured hereunder or elsewhere or by order of civil authority following such destruction or damage. In no event, however, shall the Insurer be liable under this section for loss of income nor for Extra Expense in excess of that necessary to continue as nearly as practicable the normal conduct of the Insured's business, nor for the cost of repairing or replacing any of the described property that has been damaged or destroyed by the perils insured against, except cost in excess of the normal cost of such repairs or replacements necessarily incurred for the purpose of reducing the total amount of Extra Expense.

3.1 RESUMPTION OF OPERATIONS:

As soon as practicable after any loss, the Insured shall resume complete or partial business operations of the property herein described and, insofar as practicable, reduce or dispense with such extra expenses as are being incurred.

3.2 SPECIAL EXCLUSIONS:

The Insurer shall not be liable for:

- (a) loss due to fines or damages for breach of contract, for late or uncompleted orders, or for any penalties of whatever nature;
- (b) loss due to the suspension, lapse or cancellation of any lease or license, contract or order.

Endorsement No. 1 To Section I

Applicable to (A) Office Contents Broad Form and (B) - Practice Interruption Insurance

OPTIONAL BREAKDOWN COVERAGE EXTENSION ENDORSEMENT

1. Notwithstanding any of the Perils Excluded under the OFFICE CONTENTS BROAD FORM portion of SECTION I of this Policy, the insurance provided by this OFFICE CONTENTS BROAD FORM coverage is hereby extended to cover the following kinds of direct physical loss or damage to mechanical or electrical equipment, while located on the premises of the Insured, or while located on the premises where the Insured practices if coverage is under an Associate TripleGuard™ plan:
 - (a) Sudden and Accidental Mechanical Breakdown or Machinery Breakdown. The Insured, if owner or lessee, of the equipment, shall provide for regular inspection and maintenance of the equipment as recommended by the manufacturer with minimum of annual inspection of the equipment. The words "Sudden and Accidental" mean a sudden and accidental breakdown of equipment with simultaneous physical damage to it that requires the repair or replacement of the equipment or part of it.
 - (b) Loss or damage as a result of short circuit, blow-out, or other electrical damage to electrical equipment, apparatus, or devices, including wiring.
 - (c) Physical loss or damage to equipment that results from errors in design or use of faulty materials in the development, manufacture, or installation of that equipment.

Each claim for loss or damage under the above extension shall be adjusted separately and from the amount of each such adjusted claim the sum of \$1,000 shall be deducted.

2. Notwithstanding any of the Perils Excluded under (B) Practice Interruption insurance portion of Section I of these policy wordings, the insurance provided by this practice interruption coverage is hereby extended to cover the loss of gross income (as defined in Section I), resulting from the following kinds of direct physical loss or damage to mechanical or electrical equipment, while located on the premises of the Insured, or while located on the premises where the Insured practices if coverage is under an Associate TripleGuard™ plan:
 - (a) Sudden and Accidental Mechanical Breakdown or Machinery Breakdown. The Insured, if owner or lessee, of the equipment, shall provide for regular inspection and maintenance of the equipment as recommended by the manufacturer with a minimum of annual inspection of the equipment. The words "Sudden and Accidental" mean a sudden and accidental breakdown of equipment with simultaneous physical damage to it that requires the repair or replacement of the equipment or part of it.
 - (b) Loss or damage as a result of short circuit, blow-out, or other electrical damage to electrical equipment, apparatus, or devices, including wiring.
 - (c) Physical loss or damage to equipment that results from errors in design or use of faulty materials in the development, manufacture, or installation of that equipment.

The coverage provided under this extension shall not insure the loss of gross income for the first 8 hours during which the business would have normally operated.

Additional exclusions are contained under Endorsements 2, 3 and 4 to Section 1.

Endorsement No. 2 to Section I

DATA EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the “Schedule of Coverages” under Section 1 (A) Office Contents and (B) Practice Interruption.

The following sections A and B apply to all coverages except Valuable Papers, Accounts Receivable and Data Processing Equipment and Media.

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 Section 1 – (A) Office Contents and (B) Practice Interruption.

A.2 Paragraph (b) of Basis of Loss Settlement Clause (Data Processing Equipment and Media) is amended to read as follows:

Basis of Loss Settlement (Records and Media, Data storage devices, and Programme devices for electronic and Electro-mechanical data processing or for Electronically controlled equipment):

(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 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.

B.1 Subject to (a) and (b) the following, the Insurer shall not be liable for “Extra Expenses”, loss of “Gross Income”, loss of “Expediting and Extra Expense” 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 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 “Gross Income”, loss of “Expediting and Extra Expense” 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 Section 1 – (A) Office Contents and (B) Practice Interruption.

(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 Section 1 (A) Office Contents and (B) Practice Interruption.

The following section C applies only to Valuable Papers, Accounts Receivable and Data Processing Equipment and Media.

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 Section 1 – (A) Office Contents and (B) Practice Interruption.

- (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;
 - (vi) breakdown, of any other Insured Equipment is covered as described in Section D of this endorsement;

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 Section 1 – (A) Office Contents and (B) Practice Interruption.

The following section D applies only to Optional Breakdown Coverage Extension Endorsement.

D. 1. Subject to the following, this form does not insure loss caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic equipment, information repository, microchip, integrated circuit or other similar device due to :

- (a) the erasure, destruction, corruption, misappropriation or misinterpretation of Data:
- (b) any error in creating, amending, entering, deleting or using Data:
- (c) the inability to receive, transmit or use Data:

however loss that ensues solely from a Breakdown to any other Insured Equipment is covered.

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”;

“Schedule of Coverages” means the Schedule of Coverages 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:
- (i) a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
 - d) smelt dissolving tanks;
 - (ii) other vessels and apparatus, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
 - (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
 - (iv) any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosion;
 - (v) gas turbines.

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

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

- C) Impact by Aircraft, Spacecraft or Land Vehicle: The terms “Aircraft” and “Spacecraft” include articles dropped therefrom.

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

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

- D) 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:

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

“Premises” means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described on the “Memorandum of Insurance” and in or on vehicles within 100 meters (328 feet) of such locations.

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

Endorsement No. 3 to Section I

TERRORISM EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the "Schedule of Coverages" under Section 1 (A) Office Contents and (B) Practice Interruption.

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. This exclusion, however, does not apply to ensuing loss or damage which directly results from fire or explosion of natural, coal or manufactured gas. This exception only applies to the extent that such loss or damage would otherwise be insured under this policy.
2. The Insurer shall not be liable for "Extra Expenses", loss of "Gross Income", loss of Expediting and Extra Expense 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.

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

Endorsement No. 4 to Section I

FUNGI AND FUNGAL DERIVATIVES EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the “Schedule of Coverages” under Section 1 (A) Office Contents and (B) Practice Interruption.

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 “Gross Income”, loss of “Expediting and Extra Expense” 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”.

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

Endorsement No. 4A to Section I

STUDENT PACKAGE ENDORSEMENT

It is agreed that with respect to the student package, their standard coverage package should read as follows:

\$15,000 Limit on dental hand instruments: this coverage excludes electronic devices and equipment, including, but not limited to, computers, laptops, tablets, cellular phones, and related equipment, data and media.

\$0 Deductible

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

GENERAL CONDITIONS APPLICABLE TO SECTION I - TRIPLEGUARD™ PLAN

OFFICE CONTENTS - BROAD FORM, AND PRACTICE INTERRUPTION INSURANCE, GROSS INCOME - ACTUAL LOSS SUSTAINED BASIS

1. PERMISSIONS

Permission is granted:

- (a) for further insurance concurrent with this form, and to increase or decrease insurance without notice until required;
- (b) to cease operations and close down from time to time and to remain vacant or unoccupied without limit of time as the Insured may deem necessary or convenient, but the Insured must notify The Policyholder if the premises are to be vacant or unoccupied for a period exceeding sixty (60) days at any one time;
- (c) to do such work and to keep and use such articles, materials and supplies in such quantities as are usual, necessary or convenient to the business carried on;
- (d) to make changes, alterations, repairs and additions without limit of time.

2. RELEASE AND SUBROGATION

The Insurer upon making any payment or assuming liability therefore under these sections, shall be subrogated to all rights of recovery of the Insured against any person and may bring action in the name of the Insured to enforce such rights.

The Insurer hereby waives its rights to a transfer of such rights:

- (a) of the Insured against any individual or organization affiliated or associated with, parent of or subsidiary to, the Insured or their employees;
- (b) of any Insured named in the Memorandum of Insurance against any other Insured named therein, including their employees and associates.

Where the net amount recovered after deducting the cost 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 a loss shall not affect the right of the Insured to recover hereunder.

3. EARTHQUAKE DEFINITION

It is understood and agreed that each loss caused by "Earthquake" shall constitute a single claim hereunder, provided that more than one earthquake shock occurring within one hundred and sixty eight hours (168) consecutive hours during the term of this policy shall be deemed to be a single earthquake within the meaning hereof. Notwithstanding the foregoing, this Insurer shall not be liable for any loss or damage occurring before the date of inception of this policy nor for any loss or damage caused by any earthquake shock occurring after the expiration of this policy.

4. FLOOD DEFINITION

It is understood and agreed that the word "Flood" means waves, tidal waves, and the rising of, the breaking out of, or the overflow of any body of water whether natural or man-made; the unusual and rapid accumulation or runoff of surface waters from any source including mud flows which are proximately caused or precipitated by accumulations of water on or under the ground. It is further understood and agreed that exclusion (e) of Section I shall not apply to any loss or damage caused by Flood as herein defined.

5. OTHER INSURANCE

If on the happening of any loss or damage to property insured, there is in force other insurance covering the same interest, the liability of the Insurer shall be limited to its rateable proportion of the loss.

6. BREACH OF CONDITIONS

Where a loss occurs and there has been a breach of condition relative to a matter before the happening of the loss, which breach would otherwise disentitle the Insured to recover under this Section, the breach shall not disentitle the Insured to recover:

- (1) if the Insured establishes that the loss was not caused or contributed to by the breach of condition,
or
- (2) if the breach of condition occurred in any portion of the premises over which the Insured has no control,
or
- (3) if there is a breach of condition by an assignee under the Bankruptcy Act or by an assignee following change of title by succession, by operation of law or by death.

7. NOTICE

It is agreed that any notice required by the conditions of this Section to be given to the Insurer may be given by the Insured through CDSPI, 155 Lesmill Road, Toronto, Ontario, M3B 2T8.

8. STATUTORY CONDITIONS

This section is subject to the printed "Statutory Conditions" applicable to insurance in all provinces except Quebec and/or the printed "General Conditions" applicable to insurance in the Province of Quebec.

In the event of there being any conflict between the printed "Conditions" and the terms and conditions recited herein, the latter shall be deemed to govern in favour of the Insured.

9. NON-RENEWAL

The Insurer may only give non-renewal notice in accordance with non-renewal provisions described in the Master Agreement.

10. CANCELLATION

- (1) A Memorandum of Insurance may be cancelled at any time at the request of the Insured named thereon and the Insurer shall, upon surrender of the Memorandum of Insurance, refund the excess of paid premium above the earned premium computed in accordance with the customary pro rata table and procedure for the time the Memorandum has been in force.
- (2) A Memorandum of Insurance may be cancelled at any time by the Insurer giving to the Insured named thereon 180 days notice of cancellation by registered mail except that in the event of non-payment of premium, fraud or misrepresentation by the Insured, cancellation may be affected by the Insurer giving to the Insured 15 days notice of cancellation by registered mail or 15 days written notice of cancellation personally delivered.

- (3) The notice period for cancellation by registered mail commences on the day following the receipt of the registered letter at the post office to which it is addressed.

11. LIBERALIZATION

If any authorized endorsement or filed rules or regulations affecting this Section are revised by statute or by the standard Aviva wordings so as to broaden the insurance without additional premium charge, such extended or broadened insurance shall inure to the benefit of the Insured hereunder, effective as of the date of the change.

12. REINSTATEMENT

Any loss shall not reduce the amount of coverage provided by this Section.

13. NOTICE TO AUTHORITIES

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

14. NO BENEFIT TO BAILEE

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

15. PAIR AND SET

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

16. PARTS

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

17. SUE AND LABOUR

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

SECTION I - TRIPLEGUARD™ PLAN

(C) COMPREHENSIVE DISHONESTY, DISAPPEARANCE, AND DESTRUCTION

Coverage (A) EMPLOYEE DISHONESTY

This subsection insures for an amount not exceeding \$25,000 in the aggregate for loss of Money, Securities and other property which the Insured shall sustain through any fraudulent or dishonest act or acts committed by any of the Employees, acting alone or in collusion with others.

“Dishonest or Fraudulent acts” as used in this Coverage (A) shall mean only dishonest or fraudulent acts committed by such Employee with the manifest intent:

- (a) to cause the Insured to sustain such loss; and
- (b) 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.

This definition of “Fraudulent or Dishonest Acts” does not apply to Article 6 or 12 of Coverage (A).

Coverage (B) DEPOSITOR'S FORGERY

This subsection insures for an amount not exceeding \$25,000 for 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 agreement, 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 an action being brought against the Insured or such bank to enforce such payment and the Insurer shall give its written consent to the defense of such action, then any reasonable lawyers' fees, court costs, or similar legal expenses incurred and paid by the Insured or such bank in such defense shall be construed to be a loss under this subsection and the liability of the Insurer for such loss shall be in addition to any other liability under this subsection.

Coverage (C) MONEY AND SECURITIES

This subsection insures for an amount not exceeding \$15,000 for loss of money, and securities, but the Insurer shall not be liable for loss caused by or resulting from misappropriation, secretion, conversion or any dishonest act on the part of the Insured or other party of interest or any person or persons to whom the property may be entrusted. In addition, such property is also insured against any loss by robbery or attempted robbery from a custodian whether on the premises or not, including from within the home of a custodian, and while engaged in his regular duties in connection with such property within the territorial limits of Canada and the continental United States of America.

This subsection shall include the theft of property from within the premises by means of compelling a custodian by violence or threat of violence while outside the premises to admit a person to the premises or to furnish him with means of ingress into the premises, provided the loss shall occur before the premises are next open for business.

Such insurance as is afforded by this subsection also applies within a night depository safe, provided by a bank or trust company for use of its customers, in which money or securities have been deposited.

Coverage (D) MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY COVERAGE

This subsection insures for an amount not exceeding \$ 25,000 for loss due to acceptance in good faith, in exchange for merchandise, money or services, of any post office or express money order issued or purporting to have been issued by any post office or express company 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) CREDIT CARD FORGERY COVERAGE

This subsection insures the Insured's legal obligation to pay because of the theft or unauthorized use of credit cards issued or registered in the name of the Insured as stated on the Declarations page of this policy, provided that all conditions under which the card was issued have been complied with, for an amount not exceeding \$5,000.

Coverage (F) PROFESSIONAL FEES COVERAGE

The Insurer shall pay up to \$ 2,500 on reasonable expenses incurred by the Insured for services of outside auditors, accountants or investigators provided the Insurer's consent is obtained in advance, to establish loss as required by the terms of this policy caused by fraudulent or dishonest acts committed by any of the Insured's employees.

GENERAL AGREEMENTS

JOINT INSURED

- A. If more than one Insured is covered under this subsection, the Insured first named shall act for itself and for every other Insured for all purposes of this subsection. Knowledge possessed or discovery made by any Insured or by any partner or officer thereof shall, for the purposes of Article 6, 7 and 12, constitute knowledge possessed or discovery made by every Insured. Termination of the insurance hereunder as respects any Employee as provided in Article 12 shall apply to every Insured. If, prior to the termination of this subsection, this subsection is terminated as to any Insured, there shall be no liability for any loss sustained by such Insured unless discovered within one year from the date of such termination. Payment by the Insurer to the Insured first named of any loss under this subsection shall fully release the Insurer on account of such loss. If the Insured first named on the Memorandum of Insurance ceases for any reason to be covered under the Memorandum of Insurance, then the Insured next named shall thereafter be considered as the Insured first named for all purposes of this subsection.

LOSS UNDER PRIOR BOND OR POLICY

- B. If Coverage (A) is substituted for any prior bond or policy of insurance carried by the Insured or by any predecessor in interest of the Insured, which prior bond or policy is terminated or allowed to expire as of the time of such substitution, the Insurer agrees that Coverage (A) applies to loss which is discovered as provided in Article 1 of the Conditions and Limitations and which would have been recoverable by the Insured or such predecessor under such prior bond or policy except for the fact that the time within which to discover loss thereunder had expired; provided:
- (1) the insurance under this General Agreement B shall be a part of and not in addition to the amount of insurance afforded by Coverage (A).
 - (2) such loss would have been covered under Coverage (A) had Coverage (A) with its agreements, conditions and limitations as of the time of such substitution been in force when the acts or events causing such loss were committed or occurred; and
 - (3) recovery under such Coverage (A) on account of such loss shall in no event exceed the amount which would have been recoverable under Coverage (A) in the amount for which it is written as of the time of such substitution, had Coverage (A) been in force when such acts or events were committed or occurred, or the amount which would have been recoverable under such prior bond or policy had such prior bond or policy continued in force until the discovery of such loss, if the latter amount be smaller.

Coverage (B) shall also cover loss sustained by the Insured at any time before the termination of this coverage which would have been recoverable under the coverage of some similar form of forgery insurance (exclusive of fidelity insurance) carried by the Insured or any predecessor in interest of the Insured, had such prior forgery insurance given all of the coverage afforded under coverage (B); provided, with respect to loss covered by this paragraph:

- (a) the coverage is substituted on or after the date hereof for such prior forgery coverage and the Insured or such predecessor, as the case may be, carried such prior forgery coverage on the office at which such loss was sustained continuously from the time such loss was sustained to the date the coverage was substituted therefor;
- (b) at the time of discovery of such loss, the period for discovery of loss under all such prior forgery insurance has expired; and
- (c) if the amount of insurance carried under this coverage applicable to the office at which such loss is sustained is larger than the amount applicable to such office under such prior forgery insurance, and in force at the time such loss is sustained, then liability here under for such loss shall not exceed the smaller amount.

GENERAL CONDITIONS AND LIMITATIONS APPLICABLE
TO : (C) COMPREHENSIVE DISHONESTY, DISAPPEARANCE, AND DESTRUCTION

POLICY PERIOD, TERRITORY, DISCOVERY

Article 1. Loss is covered under Coverage (A) only if discovered not later than one year from the end of the Period of Insurance shown on the Memorandum of Insurance.

Subject to General Agreement B:

(a) Coverage (A) applies only to loss sustained by the Insured through fraudulent or dishonest acts committed during the Period of Insurance shown on the Memorandum of Insurance by any of the Employees engaged in the regular service of the Insured within Canada or any of the States of the United States of America or the District of Columbia or while such Employees are elsewhere for a limited period;

(b) Coverage (B) applies only to loss sustained during the Period of Insurance shown on the Memorandum of Insurance.

EXCLUSIONS

Article 2. This subsection does not apply:

(a) to loss due to any fraudulent, dishonest or criminal act by any Insured or a partner of an Insured whether acting alone or in collusion with others;

(b) under Coverage (A), to loss, or to that part of any loss, as the case may be, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation;

(c) (i) to potential income, including but not limited to interest and dividends, not realized by the Insured because of a loss covered under this subsection:

(ii) to all damages of any type for which the Insured is legally liable, except direct compensatory damages arising from a loss covered under this subsection;

(iii) to all costs, fees and other expenses incurred by the Insured in establishing the existence of or amount of loss covered under this subsection.

DEFINITION OF EMPLOYEE

Article 3. The following terms, as used in this subsection shall have the meaning stated in this Article:

“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, including persons hired through an intervening employment agency or employer, during the Period of Insurance shown on the Memorandum of Insurance 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 except as provided below 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 the first 30 days thereafter; subject, however, to Article 12 and the cancellation clause contained in the General Conditions applicable to Section I.

For the purpose of this subsection "Employee" includes an associate of the Insured engaged under a contractual arrangement to provide professional services to the Insured's practice but who is not a salaried employee of the Insured.

LOSS CAUSED BY UNIDENTIFIABLE EMPLOYEES

Article 4. If a loss is alleged to have been caused by the fraud or dishonesty of any one or more of the Employees and the Insured shall be unable to designate the specific Employee or Employees causing such loss, the Insured shall nevertheless have the benefit of Coverage (A), subject to the provisions of Article 2 (b) of this subsection, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more of the said Employees, and provided, further, that the aggregate liability of the Insurer for any such loss shall not exceed the limit of liability applicable to Coverage (A).

OWNERSHIP OF PROPERTY; INTEREST COVERED

Article 5. 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; 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, in which event the third paragraph of Article 7 is applicable to them.

PRIOR FRAUD, DISHONESTY OR TERMINATION

Article 6. Coverage (A) shall not apply to any Employee from and after the time that the Insured or any partner or officer thereof not in collusion with such Employee shall have knowledge or information that such Employee has committed any fraudulent or dishonest act in the service of the Insured or otherwise, whether such act be committed before or after the date of employment by the Insured.

If, prior to the issuance of the Memorandum of Insurance, any fidelity insurance in favour of the Insured or any predecessor in interest of the Insured and covering one or more of the Insured's Employees shall have been terminated as to any of such Employees by reason of the giving of written notice of termination by the insurer issuing such fidelity insurance, whether the Insurer or not, and if such Employees shall not have been reinstated under the coverage of said fidelity insurance or superseding fidelity insurance, the Insurer shall not be liable on account of such Employees unless the Insurer shall agree in writing to include such Employees within the coverage of Coverage (A).

LOSS -NOTICE- PROOF- ACTION AGAINST INSURER

Article 7. Upon knowledge or discovery of loss or of an occurrence which may give rise to a claim for loss, the Insured shall give notice thereof as soon as practicable to the Insurer or The Policyholder and file detailed proof of loss, duly sworn to, with the Insurer within four months after the discovery of loss.

Proof of loss under Coverage (B) shall include the instrument which is the basis of claim for such loss, or 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.

Upon the Insurer's request, the Insured shall submit to examination by the Insurer, subscribe the same, under oath if required, and produce for the Insurer's examination all pertinent records, all at such reasonable times and places as the Insurer shall designate, and shall cooperate with the Insurer in all matters pertaining to loss or claims with respect thereto.

No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this subsection nor until ninety days after the required proofs of loss have been filed with the Insurer, nor at all unless commenced within two years from the date when the Insured discovers the loss. If any limitation of time for notice of loss or any legal proceeding herein contained is shorter than that permitted to be fixed by agreement under any statute controlling the construction of this subsection, the shortest permissible statutory limitation of time shall govern and shall supersede the time limitation herein stated.

RECOVERIES

Article 8. If the Insured shall sustain any loss covered by this subsection which exceeds the applicable amount of insurance hereunder, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken by or for the benefit of the Insurer) by whomsoever made, on account of such loss under this subsection until fully reimbursed, less the actual cost of effecting the same; and any remainder shall be applied to the reimbursement of the Insurer.

LIMIT OF LIABILITY

Article 9. Payment of loss under Coverage (A) or (B) shall not reduce the Insurer's liability for other losses under the applicable Coverage whenever sustained. The Insurer's total liability (i) under Coverage (A), for all loss caused by any Employee or in which such Employee is concerned or implicated or (ii) under Coverage (B), for all loss by forgery or alteration committed by any person or in which such person is concerned or implicated whether such forgery or alteration involves one or more instruments, is limited to the applicable amount of insurance specified in the Memorandum of Insurance. The liability of the Insurer for loss sustained by any or all of the Insureds shall not exceed the amount for which the Insurer would be liable had all such loss been sustained by any one of the Insureds.

Regardless of the number of years this subsection shall continue in force and the number of premiums which shall be payable or paid, the limit of the Insurer's liability as specified in the Memoranda of Insurance shall not be cumulative from year to year or period to period.

The amounts of insurance as expressed in the Memorandum of Insurance are in Canadian currency.

LIMIT OF LIABILITY UNDER THIS FORM AND PRIOR INSURANCE

Article 10. With respect to loss caused by any person (whether one of the Employees or not) or in which such person is concerned or implicated or which is chargeable to any Employee as provided in Article 4 and which occurs partly during the Period of Insurance shown on the Memorandum of Insurance and partly during the period of other bonds or policies issued by the Insurer to the Insured or to any predecessor in interest of the Insured and terminated 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 subsection and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under Coverages (A) and (B) 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.

OTHER INSURANCE

Article 11. Except in the Province of Quebec, if there is available to the Insured any other insurance or indemnity covering any loss covered by Coverages (A) and (B), the Insurer shall be liable hereunder only for that part of such loss which is in excess of the amount recoverable or recovered from such other insurance or indemnity, except that if such other insurance or indemnity is a bond or policy of fidelity insurance, any loss covered under both such fidelity insurance and Coverage (B) shall first be paid under Coverage (B). Any loss covered under both Coverages (A) and (B) shall first be paid under Coverage (B) and the excess, if any, shall be paid under Coverage (A). The Insurer waives any right of contribution which it may have against any forgery insurance carried by any depository bank which is indemnified under Coverage (B).

If this form is governed by the law of Quebec, each of the Insurers under its respective contract is liable to the Insured for its rateable proportion of the loss. The Insurer waives any right of contribution which it may have against any forgery insurance carried by any depository bank which is indemnified under Coverage (B).

TERMINATION AS TO ANY EMPLOYEE

Article 12. Coverage (A) shall be deemed terminated as to any Employee: (a) immediately upon discovery by the Insured, or by any partner or officer thereof not in collusion with such Employee, of any fraudulent or dishonest act on the part of such Employee; or (b) in accordance with the Cancellation Condition of the policy.

ASSIGNMENT

Article 13. Assignment of interest under this subsection shall not bind the Insurer until its consent is endorsed hereon; if, however, the Insured shall die, or in the Province of Quebec be declared bankrupt, this subsection shall cover the Insured's legal representative, or in the Province of Quebec, the trustee in bankruptcy, as Insured.

Endorsement No. 5 to Section I

DATA EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the "Schedule of Coverage" under Section 1 (C) Comprehensive Dishonesty, Disappearance and Destruction.

This endorsement modifies the coverage provided in those forms shown on the Policy that include Coverage for Loss Inside the Premises and Loss Outside the Premises.

- A. Subject to (a) and (b) following, the Insurer shall not be liable for loss of money and securities directly or indirectly caused 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 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 A. shall not apply to such resulting loss or damage. This exception only applies to the extent that such loss would otherwise be insured under the Comprehensive Dishonesty Disappearance and Destruction Section of this policy;
- (b) If "Data Problem" is the direct result of an "Insured Peril", as defined in this endorsement, or by the escape of water from any tank, apparatus or pipe, within the premises or within any banking premises or similar recognized places of safe deposit, this exclusion A. shall not apply. This exception only applies to the extent that such loss would otherwise be insured under the Comprehensive Dishonesty, Disappearance and Destruction Section of this policy.

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",

"Schedule of Coverages" means the Schedule of Coverages 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:
- (i) a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;

- d) smelt dissolving tanks;
- (ii) other vessels and apparatus, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
- (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
- (iv) any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosion;
- (v) gas turbines;

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

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

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

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

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

- D) 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:

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

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

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

Endorsement No. 6 to Section I

TERRORISM EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown on the “Schedule of Coverage” under Section 1 (C) Comprehensive Dishonesty, Disappearance and Destruction.

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 following definition is added -:

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

All other terms and conditions remain unchanged.

Endorsement No. 7 to Section I

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:

- the Insured's interest ceases; or
- the property installed has been accepted as satisfactory; or
- 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 amount of \$50,000 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 and subject to a \$1,000 deductible per claim.

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

Endorsement No. 8

PRIVACY BREACH EXPENSE COVERAGE

WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED IN THIS FORM.

1. INSURING AGREEMENT

The Insurer, subject to the applicable General Conditions, or the Policy Conditions, or the Statutory Conditions and the terms, conditions, limitations and exclusion of the property form to which this coverage relates, shall provide the following coverage if the Insured has a “privacy breach” that is:

- a. discovered by the Insured during the policy period, and
- b. reported to the Insurer as soon as possible but not later than 30 days after the Insured discovers the “privacy breach”.

2. LIMIT OF INSURANCE

The liability of the Insurer in respect to the costs associated with the privacy breach services described in 3. COVERAGE, shall not exceed, in the aggregate, the limit of \$25,000 for Privacy Breach Expense, during any one policy period.

3. COVERAGE

The Insurer shall provide the following privacy breach services in the event of a “privacy breach”:

A. Privacy Breach Consulting Services

The Insurer shall provide the following consulting services for a covered “privacy breach”:

- i. evaluation of “privacy breach” situation, assessment of privacy, regulatory and legal impacts and recommendation of best practice approach for notification and remediation;
- ii. provision of a generic notification letter sample template to provide assistance in drafting an incident-specific notification letter;
- iii. provision of a generic sample Frequently Asked Questions (FAQ) template to be completed by the Insured following a “privacy breach”;
and
- iv. assistance with media relations when required by applicable Data Protection Authorities or due to the size and scope of the “privacy breach”.

B. Notification Recipient Services

The Insurer shall provide the following services for a covered “privacy breach” to all “notification recipients”:

- i. a toll free telephone number (Crisis Response Line) for “notification recipients” to call to address issues, questions or concerns regarding the “privacy breach”. This includes the assignment of a live, personal “fraud specialist” to provide all necessary services and information on a one-on-one basis;
- ii. assistance with ordering free credit reports for evaluation and review of any suspected or actual fraudulent activity; and
- iii. “identity fraud remediation services” provided to “notification recipients” in cases of “identity fraud” or “account takeover”.

C. Notification Expense Reimbursement

The Insurer shall provide the Insured with coverage for eligible expenses, following a “privacy breach”, for services provided by the Insurer’s designated service provider, for costs associated with preparation, printing, mailing, postage and delivery of notification letters sent to “notification recipients” via postal service, if:

- i. the situation dictates notification via hard copy letter; or
- ii. a data protection authority requires hard copy letter notification; or
- iii. it is the most effective method of notification to affected “data subjects”.

D. Regulatory Research and Compliance Expense

The Insurer shall provide the Insured with coverage for costs incurred, following a covered “privacy breach”, to consult a licensed attorney to provide the Insured with:

- i. analysis of applicable notification requirements pursuant to provincial and/or federal notification requirements or recommendations of any provincial or federal data protection authorities;
- ii. review and sign off of compliance with applicable provincial and/or federal notification requirements or recommendations of any provincial or federal data protection authorities; and/or
- iii. an overall process of handling the “privacy breach” that complies with applicable provincial and/or federal notification requirements or recommendations of any provincial or federal data protection authorities.

4. EXCLUSIONS

This coverage does not insure against any costs or expenses incurred due to:

- a. the Insured’s intentional involvement in a “privacy breach”.
- b. a “privacy breach” resulting from any fraudulent, deceptive or criminal activity, error or omission, or any deliberate, reckless or knowing violation of the law by:
 - i. the Insured; or
 - ii. any of the Insured’s partners, directors or trustees;
whether acting alone or in collusion with others, or whether occurring during or outside of the hours of employment.
- c. the intentional or reckless disregard for the handling, treatment, transfer and security of “private information” and/or “personal health information” in the Insured’s possession, control or custody.
- d. the investigation or remediation of any deficiency, except as specifically provided under this coverage. This includes, but is not limited to, any deficiency in the Insured’s:
 - i. employee management;
 - ii. vendor management; or
 - iii. internal systems, procedures, computer network/system firewall, computer network/system antivirus or physical security; that may have contributed to a “privacy breach”.
- e. any criminal investigations or proceedings.
- f. any loss of “private information” and/or “personal health information” that results from “malicious code”, if the failure to detect that code was due to any failure to install or properly implement any:
 - i. applications;
 - ii. software;
 - iii. firewall(s);
 - iv. anti-virus;
 - v. anti-spyware;
 - vi. software or system patches or updates; or
 - vii. any other reasonable precautions.
- g. charges, penalties, fines or fees of affected financial institutions, provincial or federal data protection authorities, courts of law, and any other entity.
- h. prior “privacy breaches”, known or unknown by the Insured, occurring prior to the inception date of this coverage.
 - i. any legal action claiming civil liability by the Insured or others and any legal defense costs.
 - j. any threat, extortion or blackmail, including but not limited to ransom payments and private security assistance.
 - k. any cause not provided for under this coverage.
 - l. legal obligations arising by reason of the assumption of liability in a contract or agreement.

5. ADDITIONAL CONDITIONS

This coverage is subject to the following additional conditions:

- a. the Insured will use due care to prevent a “privacy breach”. This includes, but is not limited to, adherence to industry standards for the protection of “private information” and/or “personal health information” from a “privacy breach”.
- b. the Insured will consult with the Insurer’s designated service provider and the Insurer before issuing any communication to “notification recipients”. Any communication or services promised to “notification recipients” prior to a consultation will not be covered.

- c. the Insured must cooperate with and provide full disclosure of the circumstances surrounding the “privacy breach” to the Insurer, the Insurer’s designated service provider, applicable federal or provincial regulators and/or law enforcement personnel.
- d. upon discovery of a “privacy breach”, the Insured must make reasonable efforts to secure and protect the remaining “private information” and/or “personal health information” still in the Insured’s control.
- e. the Insurer will pay for privacy breach services, as described in 3. COVERAGE, only if they are provided through the Insurer’s designated service provider. Approval for an alternate service provider must be obtained prior to the consultation process. The Insurer will only pay reasonable and customary charges associated with services covered under 3. COVERAGE, provided by the alternate service provider.
- f. the Insurer does not guarantee, after the Insurer’s designated service provider has provided the applicable services, that the problems associated with the covered “privacy breach” will be eliminated.
- g. services provided to “notification recipients” may vary based on individual circumstances and location (due to adherence of local customs/statutes/rules).
- h. any exclusion contained in this policy that excludes loss or damage caused by:
 - i. theft or attempted theft committed by an employee of the Insured, or
 - ii. any dishonest or criminal act on the part of an employee of the Insured, does not apply to the coverage provided by this endorsement.

6. DEFINITIONS

Whenever used in this endorsement:

- a. “Account takeover” means unauthorized use of a person’s accounts.
- b. “Data subject” means an individual human being whose “private information”, and/or “personal health information” is collected, stored or processed by and in the course of the Insured’s everyday business.
- c. “Declaration Page” means the Declaration Page, including any supplementary pages or schedule of coverages attached thereto, applicable to this policy.
- d. “Fraud specialist” means an expert retained by the Insurer to assist “notification recipients” in resolving the fraudulent use, or suspected fraudulent use, of “private information” and/or “personal health information” and to restore it to pre-incident status. This assistance may include assistance in contacting credit reporting agencies, credit grantors, collection agencies, and governmental agencies or other activities needed to fully restore the identity of the individual.
- e. “Identity fraud” means the actual deceptive use of the identity information of another person (living or dead) in connection with various frauds.
- f. “Identity fraud remediation services” means services using a “fraud specialist” to resolve the fraudulent use, or suspected fraudulent use, of “private information” and/or “personal health information” and to restore such information to pre-incident status.
- g. “Malicious code” means a bot, Trojan, virus, worm, or other type of computer code, malware, software or spyware that is used to illicitly collect, destroy, alter, retrieve or affect computer software and/or “private information” and/or “personal health information” on a computer system, network, storage device, PDA or other peripheral device; and on the date the “privacy breach” occurred is named and recognized by the CERT Coordination Centre, or by any industry-acceptable third party antivirus, anti-malware or other solution that monitors malicious code activity.
- h. “Notification recipient” means a “data subject” who is notified by the Insured that “private information” and/or “personal health information” is exposed or potentially exposed to an unauthorized third party or multiple third parties through a “privacy breach” that is committed by the Insured or a third party for which the Insured is responsible, including, but not limited to vendors, auditors, and/or other third parties with which the Insured shares “private information” and/or “personal health information” in the course of doing business.
- i. “Personal health information” means personal health information, as defined in the Personal Information Protection and Electronic Documents Act of Canada, or as expanded by definitions contained in applicable provincial or territorial statutes, including but not limited to the Health Information Act of Alberta, the Personal Health Information Act of Manitoba, the Personal Health Information Privacy and Access Act of New Brunswick, the Personal Health Information Protection Act of Ontario and the Health Information Protection Act of Saskatchewan, as amended from time to time.

- j. “Privacy breach” means loss, theft, or accidental release of “private information” and/or “personal health information” involving one or more “data subjects”.
- k. “Private information” means any piece of information, which can potentially be used to uniquely identify an individual and could be used to facilitate “identity fraud”. This information includes, but is not limited to the following subcategories:
 - i. identification and contact information;
 - ii. government issued identification numbers; or
 - iii. financial information.

All other terms and conditions remain unchanged.

SECTION I - TRIPLEGUARD™ PLAN

(D) COMMERCIAL GENERAL LIABILITY

Various provisions in this Section I(D) restrict coverage. Read the entire Coverage Form carefully to determine rights, duties and what is and is not covered. Throughout this Section I(D) the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Insurer 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.

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement.

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

2. Exclusions.

This insurance does not apply to:

- a. “Bodily injury” or “property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” resulting from the use of reasonable force to protect persons or property.
- b. “Bodily injury” or “property damage” for which the insured is obligated to pay compensatory damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for compensatory damages:

- 1) Assumed in a contract or agreement that is an “insured contract”; or
 - 2) That the insured would have in the absence of the contract or agreement.
- c. Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.
 - d. “Bodily injury” to an employee of the insured arising out of and in the course of employment by the insured.

This exclusion applies:

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

This exclusion does not apply:

- 1) To liability assumed by the insured under an “insured contract”; or
 - 2) To employees on whose behalf contributions are made by or required to be made by the insured under the provisions of any workers compensation law.
- e. 1) “Bodily injury” or “property damage” arising out of the ownership, use or operation by or on behalf of any insured of:
 - a) Any automobile;
 - b) Any motorized snow vehicle or its trailers;
 - c) Any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity; or
 - d) Any vehicle which if it were to be insured would be required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, but this exclusion does not apply to the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment.
 - 2) “Bodily injury” or “property damage” with respect to which any motor vehicle liability policy is in effect or would be in effect but for its termination upon exhaustion of its limit of liability or is required by law to be in effect.

This Exclusion e. does not apply to “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 workers compensation law.

- f. “Bodily injury” or “property damage” arising out of the ownership, maintenance, use, operation, loading or unloading, or entrustment to others, by or on behalf of any insured of any watercraft.
This exclusion does not apply to:

- 1) A watercraft while ashore on premises you own or rent;

- 2) A watercraft that is:
 - a) Less than 8 meters long; and
 - b) Not being used to carry persons or property for a charge;
- 3) "Bodily injury" to 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 workers compensation law.
- g. 1) "Bodily injury" or "property damage" arising out of ownership, maintenance, use, operation, loading or unloading or entrustment to others, by or on behalf of any insured of:
 - a) Any aircraft; or
 - b) Any air cushion vehicle.
- 2) "Bodily injury" or "property damage" arising out of the ownership, existence, use or operation by or on behalf of any insured of any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.
- h. "Bodily injury" or "property damage" due to the rendering or failure to render any professional services by you or for you. Professional services shall include but not be limited to:
 - 1) Medical, surgical, dental, x-ray or nursing service or treatment.
 - 2) The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances,
 - 3) Consultant's professional advices or activities.

This exclusion does not apply to "bodily injury" or "property damage" arising from negligence in the administration of any first aid treatment given by or on behalf of the insured.

- i. "Property damage" to:
 - 1) Property you own, rent or occupy;
 - 2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
 - 3) Property loaned to you;
 - 4) Personal property in your care, custody or control;
 - 5) That particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the "property damage" arises out of those operations; or
 - 6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph 2) of this exclusion 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”.

- j. Pollution Liability - See Common Exclusions.
- k. Nuclear Liability - See Common Exclusions.
- l. War Risks - See Common Exclusions.

EMPLOYERS' LIABILITY COVERAGE EXTENSION

With respect to claims or “actions” because of “bodily injury” to an employee of the insured arising out of and in the course of employment by the insured in the business of a dental office:

- 1. Exclusions d, e and f. under COVERAGE A (SECTION I) do not apply;
- 2. The following exclusion is added to COVERAGE A (SECTION I):

This insurance does not apply to “bodily injury” to an employee while employed in violation of the law with your actual knowledge or the actual knowledge of any of your executive officers.

COVERAGE B. PERSONAL INJURY LIABILITY

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

2. Exclusions.

This insurance does not apply to:

“Personal injury”:

- a) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- c) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or
- d) 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.

Nor does this insurance apply to:

- e) Pollution Liability - See Common Exclusions;
- f) Nuclear Energy Liability - See Common Exclusions;
- g) 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. We will pay reasonable expenses for:

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

COVERAGE D. TENANTS’ LEGAL LIABILITY

1. Insuring Agreement.

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

- a. The amount we will pay for compensatory damages is limited as described in SECTION III - LIMITS OF INSURANCE;
- b. We may investigate and settle any claim or “action” at our discretion; and
- c. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgements or settlements.

2. Exclusions.

This insurance does not apply to:

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

ADVERTISING INJURY LIABILITY COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

(D) COMMERCIAL GENERAL LIABILITY

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

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

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

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

SECTION I – INSURING AGREEMENT

We will pay those sums that the insured becomes legally obligated to pay as compensatory damages because of "advertising injury" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. We will have the right and duty to defend any "action" seeking those compensatory damages but:

1. The amount we will pay for compensatory damages is limited as described in SECTION III – LIMITS OF INSURANCE.
2. We may investigate and settle any claim or "action" at our discretion; and
3. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

This insurance applies to "advertising injury" only if caused by an offence:

1. Committed in the "coverage territory" during the policy period; and

2. Arising out of the conduct of your business advertising activities.

We will consider any series of related or similar offences to be one offence.

SECTION II – ADDITIONAL EXCLUSIONS

This insurance does not apply to:

- a) Liability assumed by the “Insured” under any 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.
- b) Liability for:
 - i) Failure of performance of any contract or agreement, but this shall not relate to claims for unauthorized appropriation of ideas based upon alleged breach of implied contract;
 - ii) Infringement of registered trade mark, service mark or trade name by use thereof as the registered trade mark, service mark or trade name of goods or services sold, offered for sale or advertised;
 - iii) Incorrect description of any article or commodity;
 - iv) Mistake in advertised price;
- c) Any Insured in the business of advertising, broadcasting, video production, publishing or telecasting;
- d) Any injury arising out of any act committed by the “Insured” with actual malice;
- e) “advertising injury” arising out of
 - i) Comparative advertising by or on behalf of the “ Insured”;
 - ii) Oral or written publication of material, if done by or at the direction of the “Insured” with knowledge of its falsity;
 - iii) Oral or written publication of material whose first publication took place before the beginning of the policy period.

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. Subject to 3. Below, the Advertising Injury Limit is the most we will pay for the sum of all compensatory damages because of all “advertising injury” sustained by any one person or organization.
3. The Advertising Injury Aggregate Limit is the most we will pay for the sum of all compensatory damages

because of “advertising injury”.

The Advertising Injury Aggregate Limit applies 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 of your policy 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 purpose of determining the Limit of Insurance.

SECTION IV – DEDUCTIBLE

1. Our obligation under this coverage to pay compensatory damages on your behalf applies only to the amount of compensatory damages in excess of the deductible amount shown in the Declarations for this coverage and the limit of insurance applicable to Advertising Injury will be reduced by the amount of such deductible amount. The Advertising Injury Aggregate Limit shall not be reduced by the application of such deductible amount.
2. The deductible amount shown in the Declarations applies to all compensatory damages because of Advertising Injury as a result of any one “occurrence” regardless of the number of persons or organizations who sustain compensatory damage because of that “occurrence”.
3. The terms of this insurance, including those with respect to our right and duty to defend any “action” seeking those compensatory damages and 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 will promptly reimburse us for such part of the deductible amount as has been paid by us.

SECTION V – ADDITIONAL DEFINITIONS

Wherever used in this endorsement “Advertising Injury” means injury, other than “bodily injury” or “property damage” arising out of one or more of the following offenses in the conduct of your advertising, promotional or publicity activities:

- a) Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services; or
- b) Oral or written publication of material that violates a person’s right of privacy;
- c) Piracy, unfair competition, idea misappropriation under an implied contract, or infringement of copyright, title or slogan.

SECTION VI – OTHER TERMS AND CONDITIONS

Except as specifically modified in this endorsement all the conditions, definitions, exclusions, provisions and terms of the Commercial General Liability Coverage Form apply to the coverage provided by this endorsement.

COMMON EXCLUSIONS - COVERAGES A, B, C AND D

This insurance does not apply to:

1. Pollution Liability

- a. "Bodily injury", "personal injury" or "property damage" arising out of the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants:
 - 1) At or from premises, site or location which is or was at any time, owned or occupied by, or rented or loaned to an Insured;
 - 2) 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;
 - 3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any Insured or any person or organization for whom the Insured may be legally responsible; or
 - 4) 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:
 - a) if the pollutants are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor; or
 - b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of pollutants.

Sub-paragraphs (1) and (4)(a) of Paragraph (a) of this exclusion do not apply to "bodily injury", "personal injury" or "property damage" caused by:

- i) heat, smoke or fumes from a fire which becomes uncontrollable or breaks out from where it was intended to be; or
- ii) an unexpected or unintentional spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants which:
 - a) results in the injurious presence of pollutants in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and
 - b) is detected within 120 hours after the commencement of the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants; and
 - c) is reported to us within 120 hours of being detected; and
 - d) does not occur in a quantity or with a quality that is routine or usual to the business of the insured.
- b. Any loss, cost or expense arising out of any request, demand or order that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize or in any way respond to, or assess the effect of pollutants unless such loss, cost or expense is consequent upon "bodily injury", "personal injury" or "property damage" covered by this policy.

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

Limits of Insurance :

With respect to any insurance afforded to the Insured under Paragraph 1 a. ii) of this exclusion, the limit of the Insurer’s liability shall be as follows:

\$ 1,000,000. Each Occurrence

\$ 1,000,000. Aggregate

The Each Occurrence Limit is the most we will pay for compensatory damages because of all “bodily injury” and “property damage” arising out of any one “occurrence”.

The Aggregate Limit is the most we will pay for compensatory damages because of all “bodily injury” and “property damage”.

The Aggregate Limit applies 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.

2. Nuclear Energy Liability

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

As used in this Coverage Form:

- 1) The term “nuclear energy hazard” means the radioactive, toxic, explosive, or other hazardous properties of radioactive material;
- 2) The term “radioactive material” means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances that the Atomic

Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;

3) The term “nuclear facility” means:

- a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
- b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
- c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material;

and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

4) The term “fissionable substance” means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

3. War Risks

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

SUPPLEMENTARY PAYMENTS - COVERAGES A, B AND D

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

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

These payments will not reduce the limits of insurance.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, your former partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. An organization other than a partnership or joint venture, you are an insured. Your executive officers, directors, former officers and former directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders and your former stockholders are also insureds but only with respect to their liability as stockholders.
2. Each of the following is also an insured:
 - a. Your employees, students, professional associates, other than your executive officers, and your former employees, students, and professional associates, other than your former executive officers, but only for acts within the scope of their employment by you.
 - b. Any person (other than your employee), 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.
 - e. Any interest owned, controlling, controlled or operated by any one or more of those named as an insured
3. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. 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 injury" arising out of an offense committed before you acquired or formed the organization.
4. Each of the following is also an insured:

Each person, firm, corporation or government body for whom the Insured named in the Declarations has contracted to provide insurance but only with respect to liability which arises out of the operations of the Insured named in the Declarations;

5. Each of the following is also an insured:

Owners of property leased to the Insured named in the Declarations where the terms of the lease require the Insured named in the Declarations to provide insurance on behalf of the owner, but only with respect to liability which arises out of the ownership of such property.

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

SECTION III - LIMITS OF INSURANCE

1. The limit of the Insurer's liability shall be as follows - :

COMMERCIAL GENERAL LIABILITY

\$ 5,000,000.	EACH OCCURRENCE
\$ 5,000,000.	PERSONAL INJURY
\$ 25,000.	MEDICAL PAYMENTS (ANY ONE PERSON)
\$ 10,000,000.	GENERAL AGGREGATE
\$ 10,000,000.	AGGREGATE PRODUCTS-COMPLETED OPERATIONS
\$ 5,000,000.	TENANTS' LEGAL LIABILITY

2. The Limits of Insurance shown above 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".

3. 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 payments under Coverage C.

4. 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".

5. Subject to 1, 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 payments under Coverage C;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to 3.above, the "Personal Injury Limit" is the most we will pay under Coverage B for the sum of all "compensatory damages" because of all "Personal Injury" sustained by any one person or organization.

7. 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.
8. Subject to 5. Above, the Medical Payments 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.

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

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

3. Legal Action Against Us.

No person or organization has a right under this policy:

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

A person or organization may sue us to recover on an agreed settlement or on a final judgement against an insured obtained after an actual trial; but we will not be liable for compensatory damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance.

An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant’s legal representative. Every “action” or proceeding against us shall be commenced within one year next after the date of such judgement or agreed settlement and not afterwards. If this policy is governed by the law of Quebec every action or proceeding against us shall be commenced with three years from the time the right of action arises.

4. Other Insurance.

If other valid and collectible insurance is available to the insured for a loss we cover under 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.

b. Excess Insurance

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

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

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

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

- 1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

2) The total of all deductible and self-insured amounts under all that other insurance.

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

c. Method of Sharing

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

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

5. Separation of Insureds, Cross Liability.

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

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

6. 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.

7. Notice

Any written notice to the Insurer may be delivered at or sent by registered mail to the agent through whom this policy was issued or to any branch of the Insurer in Canada. Written notice may be given to the Named Insured by letter personally delivered to him or by registered letter addressed to him at his last post office address notified to the Insurer; or, if in Quebec, where no address is notified and the address is not known, addressed to him at the post office of the agency, if any, from which the application was received. In this condition the expression "registered" shall mean registered within or without Canada. Notice to the first Named Insured shall constitute notice to all Insureds.

SECTION V - DEFINITIONS

1. "Action" means a civil proceeding in which compensatory damages because of "bodily injury", "property damage" or "personal injury" to which this insurance applies are alleged. "Action" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
2. "Automobile" means any self-propelled land motor vehicle, trailer or semi-trailer (including machinery, apparatus or equipment attached thereto) which is principally designed and is being used for transportation of persons or property on public roads.
3. "Bodily injury" means bodily injury, sickness, shock, mental suffering, mental injury or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. Canada and the United States of America (including its territories and possessions);
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - 1) The injury or damage arises out of:
 - a) Goods or products made or sold by you in the territory described in a. above; or
 - b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - 2) The insured's responsibility to pay compensatory damages is determined in an "action" on the merits, in the territory described in a. above or in a settlement we agree to in writing.
5. "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.
6. "Insured contract" means:
 - a. A lease of premises;
 - b. A sidetrack agreement;

- c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
- d. Any other easement agreement;
- e. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
- f. An elevator maintenance agreement; or
- g. Any other written contract or written agreement or any other contract or agreement which is in the process of being written provided it is in written form within 90 (ninety) days of its inception.

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

- 1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - a) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
 - 2) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failing to render professional services, including those listed in 1) above and supervisory, inspection or engineering services.
7. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
8. "Personal injury" means injury, other than "bodily injury", arising out of one or more of the following offences:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - e. Oral or written publication of material that violates a person's right of privacy;
 - f. Wrongful dismissal, but not with respect to :
 - (i) liability assumed by the Insured under any contract or agreement;
 - (ii) severance pay or allowances required to be paid by statute, or required under the terms of an employment contract or collective agreement
9. a. "Products-completed operations hazard" includes all "bodily injury" and "property damage", occurring away from premises you own or rent and arising out of "your product" or "your work" except:
- 1) Products that are still in your physical possession; or,

2) Work that has not yet been completed or abandoned.

b. "Your work" will be deemed completed at the earliest of the following times:

- 1) When all of the work called for in your contract has been completed.
- 2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- 3) When that part of work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

c. This hazard does not include "bodily injury" or "property damage" arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

10. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property; or
- b. Loss of use of tangible property that is not physically injured.

11. "Your product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by
 - 1) You;
 - 2) Others trading under your name; or
 - 3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

12. "Your work" means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. or b. above.

Endorsement No. 7 to Section I

Applicable to (D) Commercial General Liability

VOLUNTARY PROPERTY DAMAGE ENDORSEMENT

At the request of the Insured named in the Declarations, the Insurer will at its option either (a) pay for the actual cash value of property physically injured or destroyed during the policy period which the owner of the property alleges is the fault of an Insured or (b) repair or replace such property with other property of like quality and kind, but the limit of the Insurer's liability under this endorsement for each occurrence shall not exceed \$3,000.

EXCLUSIONS

This endorsement does not apply to injury or destruction:

- (a) of property owned by or rented to any Insured or any resident of the household of the Insured named in the Declarations or;
- (b) caused intentionally by any Insured over the age of twelve years.

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

Endorsement No. 8 To Section I

Applicable to (D) Commercial General Liability

EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

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.

Throughout this Coverage Form the words “you” and “your” refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Form. The words “we”, “us” and “our” refer to the Insurer providing this insurance.

The word “insured” means any person or organization qualifying as such under WHO IS AN INSURED (SECTION II).

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

SECTION I - COVERAGE

1. Insuring Agreement.

- a. We will pay those sums that the Insured becomes legally obligated to pay as compensatory damages because of injury to any “employee” or to the dependents or beneficiaries of any “employee” to which this Insurance applies. We will have the right and duty to defend any “action” seeking those compensatory damages. We may at our discretion investigate any “employee benefit incident” and settle any claim or “action” that may result. But:

- 1) The amount we will pay for compensatory damages is limited as described in LIMITS OF INSURANCE (SECTION III); and
- 2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgements or settlements under this Coverage Form.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS.

b. This insurance applies to injury only if:

- 1) The injury is caused by an “employee benefit incident” that takes place in the “coverage territory”;
- 2) The “employee benefit incident” did not occur after the end of the policy period; and
- 3) A claim for compensatory damages because of the “employee benefit incident” is first made against any insured, in accordance with paragraph c. below, during the policy period or any Extended Reporting Period we provide under EXTENDED REPORTING PERIOD (SECTION VI).

- c. 1) A claim by any “employee” or the dependents or beneficiaries of any “employee” seeking compensatory damages will be deemed to have been made when notice of such claim is received and recorded by any insured or by us, whichever comes first.

- 2) All claims for compensatory damages because of injury to the same "employee" including compensatory damages claimed by any beneficiary or dependent, arising out of the same "employee benefit incident" will be deemed to have been made at the time the first of those claims is made against any insured.

2. Exclusions

This insurance does not apply to:

- a. Any dishonest, fraudulent, criminal or malicious act or omission;
- b. Libel, slander, discrimination or humiliation;
- c. "Bodily injury" including damages for care and loss of services arising therefrom;
- d. "Property damage";
- e. Any claim for failure of performance of contract by any insurer;
- f. Any claim based on your failure to comply with any workers compensation, unemployment insurance, social security or disability benefits law or any similar law;
- g. Any claim based on failure of stock to perform as represented by any insured;
- h. Any claim based on advice given by any insured to participate or not to participate in stock subscription plans;
- i. Any claim, the result of circumstances of which any insured had knowledge at the effective date of this insurance;
- j. Any claim, the result of circumstances which any insured could reasonably have foreseen at the effective date of this insurance.

SUPPLEMENTARY PAYMENTS

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

1. All expenses we incur.
2. 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.
3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defence of the claim or "action", including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs taxed against the insured in the "action" and any interest accruing after entry of judgement upon that part of the judgement which is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

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

2. Each of the following is also an insured:

- a. Your employees, other than your executive officers, authorized to act in the administration of "employee benefits".
- b. 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 or joint venture, 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. Coverage does not apply to any "employee benefit incident" that occurred before you acquired or formed the organization.

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

SECTION III - LIMITS OF INSURANCE

EACH CLAIM : \$ 1,000,000.

AGGREGATE : \$ 1,000,000.

1. The Limits of Insurance shown above 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. "Employees" or dependents or beneficiaries of "employees" making claims or bringing "actions".

2. The Aggregate Limit is the most we will pay for all compensatory damages because of all claims covered by this insurance.

3. Subject to 2. above, the Each Claim Limit is the most we will pay for all compensatory damages because of any one claim.
4. Our obligation to pay compensatory damages applies only to the amount of compensatory damages in excess of the deductible amount stated in the Declarations as applicable to Employee Benefits and the Each Claim Limit will be reduced by this amount. The Aggregate Limit will not be reduced by the application of the deductible amount.

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

SECTION IV - DEDUCTIBLE

In the event of a claim, the sum of \$ 1,000. shall be deducted from the amount of each claim when determined, and we shall be liable for loss only in excess of the amount deducted.

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 V - EMPLOYEE BENEFITS 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. Duties In The Event Of An Employee Benefits Incident, Claim or Action.

- a. Regardless of whether the loss exceeds the deductible amount in paragraph 4. of LIMITS OF INSURANCE (SECTION III), you must see to it that we are notified as soon as practicable of any "employee benefit incident" which may result in a claim. To the extent possible, notice should include:

- 1) How, when and where the "employee benefit incident" took place;
- 2) The names and addresses of any injured "employee", dependents or beneficiaries of any "employee", and witnesses; and
- 3) The nature and location of any injury caused by the "employee benefit incident".

Notice of an "employee benefit incident" is not notice of a claim.

- b. If a claim is received by any insured, you must:

- 1) Immediately record the specifics of the claim 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 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, settlement or defense of the claim or “action”; and
- 4) Assist us, upon our request, in the enforcement of any right against any person or organization

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

3. Legal Action Against Us.

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

- a. To join us as a party or otherwise bring us into an “action” asking for 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 judgement against an insured obtained after an actual trial date, but we will not be liable for compensatory damages that are not payable in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant’s legal representative. Every “action” or proceeding against us shall be commenced within one year next after the date of such judgement or agreed settlement and not afterwards. If this Coverage Form is governed by the law of Quebec, every “action” or proceeding against us shall be commenced within three years from the time the right of “action” arises.

4. Other Insurance.

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

a. Primary Insurance.

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

b. Excess Insurance.

This insurance is excess over any of the other insurance, whether primary, excess, contingent, or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to an “employee benefit incident” on other than a claims-made basis.

When this insurance is excess, we will have no duty to defend any claim or “action” that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to all the insured’s rights against all those other insurers.

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

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

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

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.

5. 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.

6. 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 those rights. At our request, the insured will bring “action” or transfer those rights to us and help us enforce them.

SECTION VI - EXTENDED REPORTING PERIODS

1. We will provide an Extended Reporting Period as set forth below, if:
 - a. This Coverage Form is cancelled or not renewed for any reason except non payment of premium; or
 - b. We renew or replace this Coverage Form with insurance that has a retroactive date.

2. The Extended Reporting Period starts with the end of the policy period and lasts for:
 - a. Five years for claims arising out of an “employee benefit incident” reported to us not later than 60 days after the end of the policy period in accordance with paragraph 2.a. of EMPLOYEE BENEFITS LIABILITY CONDITIONS (SECTION V); or
 - b. Sixty days for all other claims.

The Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

3. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to claims for an “employee benefit incident” that occurs before the end of the policy period.

Claims for such injury which are first received and recorded during the Extended Reporting Period will be deemed to have been made on the last day of the policy period.

4. The Extended Reporting Period does not reinstate or increase the Limits of Insurance applicable to any claim to which this Coverage Form applies.

SECTION VII - DEFINITIONS

1. “Action” means a civil proceeding in which compensatory damages because of an injury caused by an “employee benefit incident” are alleged. “Action” includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
2. “Bodily injury” means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
3. “Coverage Territory” means Canada, United States of America, its territories or possessions.
4. “Employee” means your prospective, present or former employee.
5. “Employee benefit incident” means any negligent act, error or omission in:
 - a. Giving counsel to “employees” with respect to “employee benefits”;
 - b. Interpreting “employee benefits”;
 - c. Handling records in connection with “employee benefits” or
 - d. Effecting enrollment, termination or cancellation of “employees” under “employee benefits” performed by a person authorized by you to perform such services.
6. “Employee benefits” means:
 - a. Group life insurance;
 - b. Group accident and health insurance;
 - c. Profit sharing plans;

- d. Pension plans;
 - e. “Employee” stock subscriptions;
 - f. Workers compensation;
 - g. Unemployment insurance;
 - h. Social security;
 - i. Disability benefits insurance; and
 - j. Travel, savings or vacation plans.
7. “Property damage” means:
- a. Physical injury to tangible property, including all resulting loss of use of that property; or
 - b. Loss of use of tangible property that is not physically injured.

Endorsement No. 9 To Section I

Applicable to (D) Commercial General Liability

DATA EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under those forms shown in the Schedule of Coverages under Section I (D) Commercial General Liability:

This insurance does not apply to any liability for

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

including any loss of use arising therefrom.

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

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

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

Endorsement No. 10 to Section I

Applicable to (D) Commercial General Liability

COMMERCIAL CONDOMINIUM UNIT OWNERS EXTENSION ENDORSEMENT

LIABILITY LOSS ASSESSMENT COVERAGE

1. The Insurer agrees to indemnify the Insured for payment of the Insured's share of special assessments levied against the unit owners by the Condominium Corporation in accordance with the governing rules of the condominium, when such assessment is made necessary by an occurrence to which Section I (Commercial General Liability) of this policy would apply.
2. The Insurer shall not be liable for any portion of such special assessments resulting from a deductible in the insurance of the Condominium Corporation.

LIMIT OF LIABILITY

\$ 2,000,000 Each Occurrence
\$ 2,000,000 Aggregate

"Condominium Corporation" means a condominium or strata corporation established under provincial legislation.

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

Endorsement No. 11 to Section I

Applicable to (D) Commercial General Liability

TERRORISM EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown in the “Schedule of Coverages” under Section I (D) Commercial General Liability.

1. This policy does not apply to “bodily injury”, “property damage”, or “personal injury” arising directly or indirectly, in whole or in part, out of “terrorism” or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate “terrorism”. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the “bodily injury”, “property damage” or “personal injury”.
2. 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.

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

Endorsement No. 12 to Section I

Applicable to (D) Commercial General Liability

FUNGI AND FUNGAL DERIVATIVES EXCLUSION ENDORSEMENT

This endorsement modifies the coverage provided in those forms shown in the "Schedule of Coverages" under Section I (D) Commercial General Liability

1) This insurance shall not apply to:

- (a) "bodily injury", "property damage", "personal injury" or medical payments or any other cost, loss or expense incurred by others, arising directly or indirectly, from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any "fungi" or "spores" however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "fungi" or "spores"; or
- (b) any supervision, instruction, recommendations, warnings, or advice given or which should have been given in connection with a. above; or
- (c) any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a. or b. above.

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

This exclusion shall not apply to "bodily injury" or "property damage" which results directly from a "products-completed operations hazard" not otherwise excluded by this policy;

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

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

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

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

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

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

Endorsement No. 13 to Section I

Applicable to (D) Commercial General Liability

ASBESTOS EXCLUSION

This endorsement modifies the coverage provided in those forms shown in the "Schedule of Coverages" under Section I (D) Commercial General Liability

This insurance shall not apply to and does not cover any actual or alleged "bodily injury", "property damage", "personal injury" or medical payments or any other cost, loss or expense directly or indirectly caused by, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage", "personal injury", medical payments, "loss" or any other cost, loss or expense.

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

Endorsement No. 14 to Section I

Applicable to (D) Commercial General Liability

Section IV, Conditions, #4 Other Insurance is amended as below:

This insurance does not apply to any legal obligation of the insured to pay any “compensatory damages”, or to pay medical expenses, for which insurance is afforded under any other policy.

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

S.P.F. #6

AUTOMOBILE NON-OWNED

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

APPLICATION

Items

1. The automobiles in respect of which insurance is to be provided are those not owned in whole or in part by, nor licensed in the name of the applicant, used in the applicant's business of a dental office.
2. The applicant's partners, officers, employees and agents as of the date of this application are as follows:

Partners, officers and employees who regularly use automobiles not owned by the applicant in the applicant's business.

All other partners, officers and employees.

All applicant's agents.
3. "Hired Automobiles" — The automobiles hired by the applicant are as follows:

COVERED IF ANY

4. "Automobiles operated under Contract" on behalf of the Applicant are as follows:

COVERED IF ANY

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

Insuring Agreement

Section A Third Party Liability

Perils

Legal Liability for bodily injury to or death of any person or damage to property of others not in the care, custody or control of the applicant.

Limit

\$ 5,000,000 (exclusive of interest and costs) for loss or damage resulting from bodily injury to or the death of one or more persons, and for loss or damage to property regardless of the number of claims arising from any one accident.

6. State particulars of all accidents or claims arising out of the use or operation in his business of non-owned automobiles by the applicant within the three years preceding this application:

**Injury to Persons
As known to Company**

**Damage to Property of Others
As known to Company**

7. All the statements in this application are true and the applicant hereby applies for a contract of automobile insurance to be based on the truth of said statements.
8. Where, a) an applicant for a contract gives false particulars of the described automobile to be insured to the prejudice of the Insurer, or knowingly misrepresents or fails to disclose in the application any fact required to be stated therein; or (b) the Insured contravenes a term of the contract or commits a fraud; or (c) the Insured willfully makes a false statement in respect of a claim under the contract, a claim by the Insured is invalid and the right of the Insured to recover indemnity is forfeited.

INSURING AGREEMENT

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

SECTION A - THIRD PARTY LIABILITY

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

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

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

- a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or
- *b) for any liability imposed upon any person insured by this Policy:
 - (1) by any workmen's compensation law; or
 - (2) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or
- c) for any liability assumed by any person insured by this Policy voluntarily under any contract or agreement other than written contract(s) or agreement(s); or
- d) for loss or damage to property carried in or upon an automobile personally driven by any person insured by this Policy or to any property owned or rented by, or in the care, custody or control of any such person; or
- e) for any amount in excess of the limit stated in Item 5 of the application, and expenditures provided for in the Additional Agreements of this Policy; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

* Not applicable in the Province of Ontario.

ADDITIONAL AGREEMENTS OF INSURER

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

- 1) upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this Policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and
- 2) to defend in the name and on behalf of any person insured by this Policy and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- 3) to pay all costs taxed against any person insured by this Policy in any civil action defended by the Insurer and any interest accruing after entry of judgement upon that part of the judgement which is within the limits of the Insurer's liability; and
- 4) in case the injury be to a person, reimburse any person insured by this Policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- 5) be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated in Item 5 of the application; and
- 6) not set up any defense to a claim that might not be set up if the Policy were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

AGREEMENTS OF INSURED

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

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

GENERAL PROVISIONS AND DEFINITIONS

1. ADDITIONAL INSUREDS

The Insurer agrees to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or employee of the Insured who, with the consent of the owner thereof, personally drives

- a) in the business of the Insured stated in Item 1 of the application, any automobile not owned in whole or in part by or licensed in the name of
 - (i) the Insured, or
 - (ii) such additional insured person, or
 - (iii) any person or persons residing in the same dwelling premises as the Insured or such additional insured person, or

- b) any automobile hired or leased in the name of the Insured except an automobile owned in whole or in part by or licensed in the name of such additional insured person.

2. TERRITORY

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

3. HIRED AUTOMOBILES DEFINED

The term "Hired Automobiles" as used in this Policy means (a) automobiles hired or leased from others with drivers or (b) hired or leased by the named insured from others without driver for periods not exceeding 30 days, used under the control of the Insured in the business as a dental office but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

4. AUTOMOBILES OPERATED UNDER CONTRACT DEFINED

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

5. TWO OR MORE AUTOMOBILES

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

STATUTORY CONDITIONS

**(YUKON TERRITORY, NUNAVUT, NORTHWEST TERRITORIES, ALBERTA, ONTARIO, NEW
BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND AND NEWFOUNDLAND)
(For use with S.P.F. Nos. 1, 2, 4 and 6)**

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

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

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

Material Change in Risk

1. 1) The Insured named in this contract shall promptly notify the Insurer or its local agent in writing of any change in the risk material to the contract and within the Insured's knowledge.

- 2) Without restricting the generality of the foregoing, the words “change in the risk material to the contract” include:
- a) any change in the insurable interest of the Insured named in this contract in the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings under the Bankruptcy Act (Canada):

and in respect of insurance against loss of or damage to the automobile.

- b) any mortgage, lien or encumbrance affecting the automobile after the application for this contract;
- c) any other insurance of the same interest, whether valid or not, covering loss or damage insured by this contract or any portion thereof.

NOTE: In Prince Edward Island Statutory Condition 1, sub-conditions 2 and 3 are identical with the above quoted Statutory Condition relating to material change in risk.

Prohibited Use by Insured

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

Prohibited Use by Others

- 2) The Insured shall not permit, suffer, allow or connive at the use of the automobile.
- a) by any person,
 - (i) unless that person is for the time being either authorized by law or qualified to drive or operate the automobile; or
 - (ii) while that person is under the age of sixteen years or under such other age as is prescribed by the law of the province in which the person resides at the time this contract is made as being the minimum age at which a license or permit to drive an automobile may be issued to the person; or
 - b) by any person who is a member of the household of the Insured while that person’s license to drive or operate an automobile is suspended or while his right to obtain a license is suspended or while he is prohibited under order of any court from driving or operating an automobile; or

- c) for any illicit or prohibited trade or transportation; or
- d) in any race or speed test.

Requirements Where Loss or Damage to Persons or Property

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

Requirements Where Loss or Damage to Automobile

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

- b) until the Insurer has had a reasonable time to make the examination for which provision is made in statutory condition 5.

Examination of Insured

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

Insurer Liable for Cash Value of Automobile

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

Repair or Replacement

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

No Abandonment; Salvage

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

In Case of Disagreement

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

Inspection of Automobile

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

Time and Manner of Payment of Insurance Money

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

When Action May be Brought

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

Limitation of Actions

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

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

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

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

Who May Give Notice and Proofs of Claim

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

Termination

8. (1) A Memorandum of Insurance may be cancelled at any time at the request of the Insured named thereon and Insurer shall upon surrender of the Memorandum of Insurance, refund the excess of paid premium above the earned premium computed in accordance with the customary pro rata table and procedure for the time the Memorandum has been in force.
- (2) A Memorandum of Insurance may be cancelled at any time by the Insurer giving to the Insured named thereon 180 days notice of cancellation by registered mail except that in the event of non-payment of premium, fraud or misrepresentation by the Insured, cancellation may be affected by the Insurer giving to the Insured 15 days notice of cancellation by registered mail or 15 days written notice of cancellation personally delivered.
- (3) The notice period for cancellation by registered mail commences on the day following the receipt of the registered letter at the post office to which it is addressed.

Notice

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

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

Endorsement No. 14 to Section I

S.E.F. No. 94

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

It is agreed that the policy to which this endorsement is attached is extended as follows :

SECTION B - LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILE

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

Perils: From all perils

Limit: \$ 50,000 (exclusive of interest and costs)

Deductible: \$1,000 any one accident

DEDUCTIBLE CLAUSE

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

TWO OR MORE AUTOMOBILES

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

EXCLUSIONS

The Insurer shall not be liable

- 1) for loss or damage to any automobile while personally driven by the Insured if the Insured is an individual; or
- 2) under any subsection hereof for loss or damage
 - a) to tires or consisting of or caused by mechanical fracture or breakdown of any part of an automobile or by rusting, corrosion, wear and tear, freezing or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by such subsection; or
 - b) to any automobile while being used without the consent of the owner thereof; or
 - c) caused directly or indirectly by contamination by radioactive material; or
 - d) to contents of trailers or to rugs or robes; or
 - e) to tapes and equipment for use with a tape recorder when detached therefrom; or

- f) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by the operation of armed forces while engaged in hostilities whether war be declared or not; or
- g) for any amount in excess of the limit stated in the applicable subsection hereof and expenditures provided for in the Additional Agreements of the policy to which this endorsement is attached;

ADDITIONAL AGREEMENT

The Insurer further agrees to pay general average, salvage and fire department charges and custom duties of Canada or of the United States of America for which the Insured is legally liable.

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

Endorsement No. 15 to Section I

S.E.F. No. 97

OPERATION BY INDIVIDUAL NAMED INSURED ENDORSEMENT

(for attachment only to a Non-owned Policy S.P.F. No. 6)

In consideration of the premium fee which this policy is issued it is agreed that exclusion (a) of the Insuring Agreement of the policy to which this endorsement is attached is deleted, but only in respect of the use or operation of automobiles in the business of the Insured as a dental office.

If endorsement S.E.F. No. 94 Legal Liability for Damage to Hired Automobiles Endorsement is attached to the policy, exclusion (l) of S.E.F. No. 94 is deleted, but only in respect of the use or operation of automobiles in the business of the Insured as a dental office.

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

Q.P.F. No. 6
QUEBEC AUTOMOBILE INSURANCE POLICY
(NON-OWNED FORM)

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

APPLICATION

Items

1. The automobiles in respect of which insurance is to be provided are those not owned in whole or in part by, nor licensed in the name of the applicant, used in the applicant's business of a dental office.
2. The applicant's partners, officers, employees and agents as of the date of this application are as follows:

Partners, officers and employees who regularly use automobiles not owned by the applicant in the applicant's business.

All other partners, officers and employees.

All applicant's agents.
3. "Hired Automobiles" - The automobiles hired by the applicant are as follows:

COVERED IF ANY

4. "Automobiles operated under Contract" on behalf of the Applicant are as follows:

COVERED IF ANY

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

Insuring Agreement

Section A Third Party Liability.

Perils

Legal Liability for bodily injury to or death of any person or damage to property of others not in the care, custody or control of the applicant.

Limit

\$ 5,000,000 (exclusive of interest and costs) for loss or damage resulting from bodily injury to or the death of one or more persons, and for loss or damage to property regardless of the number of claims arising from any one accident.

6. State particulars of all accident's or claims arising out of the use or operation in his business of non-owned automobiles by the applicant within the three years preceding this application:

**Injury to Persons
As known to Company**

**Damage to Property of Others
As known to Company**

7. All the statements in this application are true and the applicant hereby applies for a contract of automobile insurance to be based on the truth of said statements.
8. Where, a) an applicant for a contract gives false particulars of the described automobile to be insured to the prejudice of the Insurer, or knowingly misrepresents or fails to disclose in the application any fact required to be stated therein; or (b) the Insured contravenes a term of the contract or commits a fraud; or (c) the Insured willfully makes a false statement in respect of a claim under the contract, a claim by the Insured is invalid and the right of the Insured to recover indemnity is forfeited.

INSURING AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF the payment of the premium specified and of the statements contained in the application and subject to the limits, terms and conditions, provisions, definitions and exclusions herein stated.

SECTION A - THIRD PARTY LIABILITY

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

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

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

- (1) Except where the Automobile Insurance Act does not apply, for bodily injury or death covered under the said Act, the Workmen's Compensation Act or the Crime Victims Compensation Act; nor
- (2) For any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; nor
- (3) For any liability imposed upon any person insured by this policy by any workmen's compensation law, nor
- (4) For loss or damage sustained by the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured, except as provided under a Direct Compensation Agreement established in accordance with the aforementioned Automobile Insurance Act; nor
- (5) For any liability assumed voluntarily by any person insured by this policy under any contract or agreement other than written contract(s) or agreement(s); nor
- (6) For loss or damage to property carried in or upon an automobile personally driven by any person insured by this policy or to any property owned or rented by, or in the care, custody or control of any such person; nor

- (7) For any amount in excess of the limit stated on the "Declaration Page" for Non-Owned Automobile, and expenditures provided for in the Additional Agreements of this policy.
- (8) For any loss or damage resulting from bodily injury to or death of any person or damage to property arising out of a nuclear energy hazard and in excess of the compulsory amount of insurance prescribed by the aforementioned Automobile Insurance Act.

See also General Provisions, Definitions, Exclusions and Conditions of this Policy.

ADDITIONAL AGREEMENTS

Where indemnity is provided by this section the Insurer further agrees:

- (1) The indemnity shall be applied first to the protection of the Named Insured and the remainder, if any, to the protection of the other persons entitled to indemnity under the terms of this section; and
- (2) Immediately upon receipt of notice of loss or damage caused to persons or property, to serve any person insured by this section by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and
- (3) To defend in the name and on behalf of any person insured by this section and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- (4) To pay costs and expenses of suits against the Insured, including those of the defense, in any civil action defended by the Insurer and any interest accruing as from the date of the action upon that part of the judgement which is within the limits of the Insurer's liability; and
- (5) In case the injury be to a person, to reimburse any person insured by this section for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- (6) That the Insurer shall be liable up to the minimum limit(s) prescribed by any Automobile Insurance legislation applying in that province or territory of Canada or in that State of the United States of America in which the accident occurred, if that limit(s) is higher than the limit stated on the "Declaration Page" for Non-Owned Automobile; and
- (7) Not to set up any defense to a claim that might not be set up if the policy were a motor vehicle liability policy issued in the province or territory of Canada or in the State of the United States of America in which the accident occurred.

AGREEMENTS OF INSURED

Where indemnity is provided by this section every person insured:

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

GENERAL PROVISIONS AND DEFINITIONS

1. ADDITIONAL INSURED

The Insurer agrees to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or employee of the Insured, who, with the consent of the owner of the automobile involved: a) and in the business of the Insured stated on "Declaration Page", personally drives any automobile not owned in whole or in part by or registered in the name of (1) the Insured, or (2) such additional insured person, or (3) any person in the household(s) of which the Insured or such additional insured person is a member; b) any automobile rented or hired in the name of the Insured and not owned in whole or in part by or registered in the name of such partner, officer or employee.

2. TERRITORY

Unless extended by endorsement, insurance provided by this policy applies only within Canada, the United States of America or upon a vessel plying between ports of those countries.

3. HIRED AUTOMOBILES DEFINED

The term "Hired Automobiles" as used in this Policy means (a) automobiles hired or leased from others with drivers or (b) hired or leased by the Named Insured from others without driver for periods not exceeding 30 days, used under the control of the Insured in the business as a dental office but shall not include any automobile owned in whole or in part by or registered the name of the Insured or any partner, officer or employee of the Insured.

4. AUTOMOBILE OPERATED UNDER CONTRACT DEFINED

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

5. TWO OR MORE AUTOMOBILES

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

6. NUCLEAR ENERGY DEFINED

In this policy, unless otherwise indicated by the context, "nuclear energy hazard" means the radioactive, toxic, explosive or other hazardous properties of prescribed substances under the Atomic Energy Control Act (Canada).

CONDITIONS

1. MISREPRESENTATION

Any misrepresentation or deceitful concealment on the part of the Insured in connection with facts known to it and likely to materially influence a reasonable Insurer in the setting of the premium and the appraisal of the risk or the decision to cover it, nullifies the contract at the instance of the Insurer, even for losses not connected with the risks so misrepresented.

In the absence of bad faith however, the Insurer is liable for the risk in the proportion that the premium collected bears to that which it should have collected, except where it is established that it would not have covered the risk if it had known the true facts.

2. MATERIAL CHANGE IN RISK

The Insured must promptly advise the Insurer of any increase in the risk specified in the contract or that resulting from events within his control and which is likely to materially influence a reasonable insurer in the setting of the rate of premium, the appraisal of the risk or the decision to continue to insure it. The Insurer may then cancel the contract or propose in writing a new rate of premium which the Insured must accept and pay within thirty (30) days of its receipt, failing which the policy ceases to be in force.

Failure on the part of the Insured to meet his obligation under the preceding sub-paragraph entails the same penalties as those provided in Condition 1. in respect of misrepresentations.

3. BREACH OF WARRANTY

A breach of warranty aggravating the risk suspends the coverage. The suspension ceases when the Insurer has acquiesced or the breach has been remedied.

4. PROHIBITED USE

- (1) The Insured shall not drive or operate the automobile nor permit, suffer, allow or connive at the use of the automobile by others:

Unauthorized Driver

- a) unless the driver is for the time being either authorized by law or qualified to drive or operate the automobile, or while he is under the age of sixteen years or under such other age as is prescribed by law; nor

Prohibited Trade

- b) for any illicit or prohibited trade or transportation; nor

Racing

- c) in any race or speed test.

5. INSPECTION OF AUTOMOBILE

The Insurer shall be permitted at all reasonable times to inspect the automobile and its equipment.

6. IN THE EVENT OF ACCIDENT OR CLAIM

- (a) Loss or Damage to third parties

- (1) The Insured shall promptly give to the Insurer notice, with all available particulars, of any accident involving loss or damage to persons or property, and of any claim made on account of accident; shall verify by affidavit or statutory declaration, if required by the Insurer, that the claim arises out of the operation or use of the automobile and that the person operating or responsible for the operation of the

automobile at the time of the accident is a person insured by this policy, and shall forward immediately to the Insurer every writ, letter, document or advice received by him from or on behalf of the claimant.

- 2) The Insured shall not voluntarily assume any liability or settle any claim except at his own cost. The Insured shall not interfere in any negotiations for settlement or in any legal proceeding, but whenever requested by the Insurer, shall aid in securing information and evidence and the attendance of any witness, and shall cooperate with the Insurer, except in a pecuniary way, in the defense of any action or proceeding or in the prosecution of any appeal.

(b) Loss or Damage to the automobile

- (1) Upon the occurrence of loss of or damage to the automobile, the Insured or any interested person shall, if the loss or damage is covered by this policy:
 - (i) forthwith give notice thereof to the Insurer, with fullest information obtainable at the time, and shall at the expense of the Insurer, and as far as reasonably possible, protect the automobile from further loss or damage, and any such further loss or damage accruing directly or indirectly from a failure to protect shall not be recoverable hereunder. No repairs shall be undertaken or any physical evidence of the loss or damage removed without the written consent of the Insurer, except such repairs as are immediately necessary for the protection of the automobile from further loss or damage, or until the Insurer has had a reasonable time to make the examination provided for in Condition 3.
 - (ii) deliver to the Insurer within ninety days of the date of the loss or damage a statutory declaration stating, so far as the Insured knows or believes, the place, time, cause and amount of the loss or damage, the interest of the Insured and of all others therein, the encumbrances thereon, all other insurance, whether valid or not, covering the automobile, and that the loss or damage did not occur through any willful act or neglect, procurement, means or connivance of the Insured.
- (2) The Insured shall submit to examination under oath, and shall produce for examination, at such reasonable place as is designated by the Insurer or its representative, all documents, in his possession or control which relate to the matters in question, and shall permit extracts and copies thereof to be made.

7. MANNER OF PAYMENT - LOSS OR DAMAGE TO THE AUTOMOBILE

The Insurer shall not be liable beyond the actual cash value of the automobile at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated with proper deduction for depreciation, however caused, and shall in no event exceed what it would cost to repair or replace the automobile or any part thereof with material of like kind and quality provided that in the event of any part of the automobile being obsolete and out of stock, the liability of the Insurer in respect thereof shall be limited to the value of such part at the time of loss or damage not exceeding the maker's last list price.

In the event of a total or constructive total loss, the Insurer agrees, at the option of the Insured and subject to supporting evidence, to cover reasonable expenses incurred to restore the automobile to the same condition as it was before the loss.

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

In all cases, there can be no abandonment of the property damaged or lost to the Insurer without its consent; in the event of the Insurer exercising such option, the salvage, if any, shall revert to it.

8. IN CASE OF DISAGREEMENT

In the event of disagreement as to the nature and extent of the repairs and replacements required, or as to their adequacy, if effected, or as to the amount payable in respect of any loss or damage, such questions shall be determined by appraisal before recovery can be had under this policy, whether the right to recover on this policy is disputed or not, and independently of all other questions.

The Insured and the Insurer shall each select one appraiser, and the two so chosen shall then select a disinterested umpire. Thereafter the two appraisers together shall estimate or appraise the loss or damage, stating separately sound value and damage, or determine the adequacy of such repairs or replacements, and, failing to agree, shall submit their differences to the umpire.

In case either party fails to name an appraiser within seven clear days after being served with written notice so to do, or in case the appraisers fail to agree upon an umpire within fifteen days after their appointment, or in case an appraiser or umpire refuses to act or is incapable of acting, or dies, a Judge of a Court having jurisdiction in the county or district in which the appraisal is to be made may appoint such appraiser or umpire on the application of the Insured or of the Insurer. The award shall be made in writing by the two appraisers, or by one appraiser and the umpire. For the surplus, the procedure provided in sections 940 to 952 of the Quebec Code of Civil Procedure shall apply *mutatis mutandis*.

Each party shall pay the appraiser selected by him, and shall bear equally the other expenses of the appraisal and of the umpire.

9. WAIVER

Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this policy by any act relating the appraisal or to the delivery and completion of proofs of loss, or to the investigation or adjustment of the claim.

10. TIME OF PAYMENT OF INSURANCE MONEY

Claims under section B shall be paid within 60 days after receipt of notice of loss or of information or proof of loss required by the Insurer or, where an appraisal is held under condition 8, within fifteen days after award is accepted by the Insured.

11. WHEN ACTION MAY BE BROUGHT

The Insured may not bring an action to recover the amount of a claim under this policy unless the requirements of condition 6 have been complied with nor until the amount of the loss has been ascertained as therein provided, or by agreement between the parties with the written consent of the Insurer.

12. LIMITATION OF ACTIONS

Every action or proceeding against the Insurer under the policy in respect to loss of or damage to the automobile shall be commenced within three years from the time the right of action arises and in respect loss or damage to persons or property within one year next after the issue of the Insured's liability is decided by judgement or agreement, subject to limitation of action imposed by law, and not afterwards.

13. WHO MAY GIVE NOTICE AND PROOFS OF CLAIM

Notice of claim may be given and proofs of claim may be made by the agent of the Insured named in this policy in case of absence or inability of such Insured to give the notice or make the proof, such absence or inability being

satisfactorily accounted for, or in the like case, or if such Insured refuses to do so, by a person to whom any part of the Insurance money is payable.

14. FRAUD OR FALSE STATEMENTS

Any deceitful representation invalidates the rights of the person making it to any indemnity related to the risk so misrepresented.

15. TRANSFER OF CLAIM

Upon payment of the loss or on assumption of liability by the Insurer therefor, the Insured shall to the extent of such payment made or liability assumed, transfer to the Insurer all rights of recovery against any other party, except any member of the Insured's household, and shall execute all documents properly required by the Insurer to secure to it such rights.

16. OTHER INSURANCE

- (1) Subject to subsections (3) and (4) of this Condition, if an Insured under this policy has or places an additional or other valid insurance of his interest in the subject matter of the policy, or any part thereof, the Insurer shall be liable only for its rateable proportion of any loss or damage.

Rateable Proportion

- (2) "Rateable proportion" means (a) if there are two insurers liable and each has the same policy limits, each of the insurers shall be liable to share equally, and (b) if there are two insurers liable with different policy limits, the insurers shall be liable to share equally up to the limit of the smaller policy limit, and (c) if there are more than two insurers liable, (a) and (b) shall apply mutatis mutandis.

Owner's Policy

- (3) Insurance under a contract evidenced by a valid owner's policy is, in respect of liability arising from or occurring in connection with the ownership, use or operation of an automobile owned by the Insured name in the contract and within the description or definition thereof in the policy, a first loss insurance, and insurance attaching under any other valid motor vehicle liability policy is excess insurance only.

Garage Owner's Policy

- (4) Notwithstanding subsection (3) of this Condition insurance under a valid Third Party Liability Policy, not describing the specific automobile(s) insured, and issued to the owner of a business engaged in selling, repairing, maintaining, storing, servicing or parking automobiles, shall in respect to non-owned or customer's automobiles while being used, operated or worked upon in the course of such business, be a first loss insurance and insurance attaching under any other valid motor vehicle policy shall be excess insurance only.

Endorsement No. 16 to Section I

Q.E.F. No 94

LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES ENDORSEMENT

(For attachment only to a Quebec Automobile Insurance Policy Non-owned Form - Q.P.F. No. 6)

It is agreed that the following section is added to this policy.

INSURING AGREEMENT

SECTION B - LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES

The Insurer agrees to indemnify the Insured, his succession or his administrators against the liability imposed by law upon the Insured or assumed by him under any contract or agreement for direct and accidental loss of or damage to "Hired Automobiles" while in his care, custody or control, caused solely by any peril not specifically excluded herein.

Perils: From all perils

Limit: \$50,000 (exclusive of interest and costs)

Deductible: \$ 1000 any one accident

DEDUCTIBLE CLAUSE

Each occurrence causing loss or damage covered under Section B except loss or damage caused by fire or lightning, shall give rise to a separate claim in respect of which the Insurer's liability shall be limited to the amount of loss or damage in excess of the amount deductible stated above.

EXCLUSIONS

The Insurer shall not be liable for loss or damage:

- (a) to any automobile while personally driven by the Insured if the Insured is an individual; nor
- (b) to tires or consisting of or caused by mechanical fracture or breakdown of any part of an automobile or by rusting, corrosion, wear and tear, freezing, or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by such subsection; nor
- (c) to any automobile while being used without the consent of the owner thereof; nor
- (d) to contents of trailers; nor
- (e) to tapes and equipment for use with a tape player or recorder when such tapes or equipment are detached therefrom; nor
- (f) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by operation of armed forces while engaged in hostilities, whether war be declared or not; nor
- (g) for any amount in excess of the limit stated on the "Declaration Page" for this endorsement (exclusive of interest, expenses and costs) and the Additional Agreement hereunder.

ADDITIONAL AGREEMENT

Where loss or damage arises from a peril insured against hereunder, the Insurer further agrees to pay general average, salvage and fire department charges, and customs duties of Canada or of the United States of America, for which the Insured is legally liable.

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

Endorsement No. 17 to Section 1

Q.E.F. No. 97

OPERATION BY INDIVIDUAL NAMED INSURED ENDORSEMENT

(For attachment only to a Quebec Automobile Insurance Policy Non-owned Form - Q.P.F. No. 6)

In consideration of the premium fee which this policy is issued it is agreed that exclusion (2) of the Insuring Agreement of the policy to which this endorsement is attached is deleted, but only in respect of the use or operation of automobiles in the business of the Insured as a dental office.

If endorsement Q.E.F. No. 94 Legal Liability for Damage to Third Automobiles Endorsement is attached to the policy, exclusion (a) of Q.E.F. No. 94 is deleted, but only in respect of the use or operation of automobiles in the business of the Insured as a dental office.

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

SECTION I - TRIPLEGUARD™ PLAN

GENERAL POLICY CONDITIONS

including Statutory Conditions, Exclusions and Standard Mortgage Clause

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.

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 circumstances that is material to be made known to the Insurer in order to enable it to judge the risk to be undertaken, the contract shall be 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. 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 (15) days of the receipt of the notice pay to the Insurer an additional premium, and in default of such payment the contract shall no longer be in force and the Insurer shall return the unearned portion, if any, of the premium paid.

TERMINATION OF INSURANCE

5. (1) A Memorandum of Insurance may be cancelled at any time at the request of the Insured named thereon and the Insurer shall, upon surrender of the Memorandum of Insurance, refund the excess of paid premium above the earned premium computed in accordance with the customary pro rata table and procedure for the time the Memorandum has been in force.

- (2) A Memorandum of Insurance may be cancelled at any time by the Insurer giving to the Insured named thereon 180 days notice of cancellation by registered mail except that in the event of non-payment of premium, fraud or misrepresentation by the Insured, cancellation may be effected by the Insurer giving to the Insured 15 days notice of cancellation by registered mail or 15 days written notice of cancellation personally delivered.
- (3) The notice period for cancellation by registered mail commences 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 such loss or damage is covered by the contract, in addition to observing the requirements of Conditions 9, 10 and 11,
 - (a) forthwith give notice thereof in writing to the Insurer;
 - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
 - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured,
 - (iv) showing the amount of other insurance 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 insured, 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 willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

WHO MAY GIVE NOTICE AND PROOF

8. Notice of loss may be given, and proof of loss may be made, by the agent of 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 therefor is made in writing and until after proof of loss has been delivered.

WHEN LOSS PAYABLE

12. The loss shall be payable within sixty (60) 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 by giving written notice of its intention to do so within thirty (30) 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 (45) 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 shall be absolutely barred unless commenced within one year next after the loss or damage occurs.

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 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.

Endorsement No. 18 to Section 1
Attached to Policy Number C3679100

Clarification of Statutory Conditions Endorsement

This endorsement modifies the insurance provided by the policy section 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. Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act (for actions or proceedings governed by the laws of Alberta, British Columbia, and Manitoba), the Limitations Act, 2002 (for actions or proceedings governed by the laws of Ontario), or other applicable legislation.

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.

GENERAL CONDITIONS **(Province of Quebec)**

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)

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

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.

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.

STANDARD MORTGAGE CLAUSE
(approved by The Insurance Bureau of Canada)

IT IS HEREBY PROVIDED AND AGREED THAT:

BREACH OF CONDITIONS BY MORTGAGOR, OWNER OR OCCUPANT

1. This insurance and every documented renewal thereof - AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN - is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the properly insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk;

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

RIGHT OF SUBROGATION

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

OTHER INSURANCE

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

WHO MAY GIVE PROOF OF LOSS

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

TERMINATION

5. The term of this mortgage clause coincides with the term of the policy,
PROVIDED ALWAYS that the Insurer reserves the right to cancel the policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

FORECLOSURE

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

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

COMMON LIABILITY CONDITIONS

(All Provinces)

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.



You can reach **CDSPI Advisory Services Inc.** at:

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