

Algoma Nurse Practitioner-Led Clinic
443 NORTHERN Avenue E
SAULT STE. MARIE, ON P6A 5L3

Our Privacy Promise and Code of Consumer Rights and Responsibilities

Privacy Promise

Intact Insurance and its affiliates in the Intact Financial Corporation group of companies are committed to protecting your privacy. We have created this Privacy Promise as a means to inform you of our privacy practices. This Privacy Promise outlines our responsibilities and your rights when it comes to the collection, use and disclosure of your personal information.

Information we collect and how we collect it

The information we collect depends on the insurance products you apply for and buy, the services you have access to and use, the payment method you use, and the way you communicate with us. We collect information in a number of ways:

(i) Information you give to us

We collect personal information from you when you inquire about our insurance policies, request a quote, apply for insurance, make a payment, or open a claim under your insurance policy. This information includes personal information such as your name, contact information, marital status, driver's license, vehicle or property descriptions, loan or mortgage details, and payment or banking information.

(ii) Information we get from third parties

We also collect information from a number of third parties as permitted by law. These include insurance agents and brokers, government bodies, consumer reporting agencies, insurance adjusters, home contractors, auto shops, and other third parties who can provide information about or services related to you or your insured vehicle or property. When we do so, we do it with your consent, or otherwise confirm the third party lawfully collected the information and can share it with us. This information includes personal information such as (but not limited to):

- Driving record and claims history
- Credit information
- Accident reports
- Witness statements
- Medical records

(iii) Calls, online chats, and other communications

We may record calls, online chats and other communications between us to ensure quality customer service, confirm our discussions and your instructions, resolve complaints, and train our staff. If you do not want your communications recorded, you can do business with us by visiting one of our offices, or by writing or emailing us.

(iv) Cookies, web beacons, and other technologies

We may use cookies, web beacons and other technologies to identify you on our website, to gather information about how you use our website, and to enable our and third party web-based services. For information about the cookies, web beacons and other technologies we use, and how to disable these, visit our website at www.intact.ca/legal under Terms of Use. However, if you disable these, you may not be able to successfully access parts of our website.

(v) Consenting for others

We may ask you for information about other persons covered by your insurance (for example, listed drivers). When you give us information about another person, we expect you to ask for their permission to do this and consent to this Privacy Promise on their behalf.

Why we collect, use and disclose information

We collect, use and disclose personal information for a number of reasons including to:

- (a) serve you better and communicate effectively with you;
- (b) verify your identity and property;
- (c) assess and underwrite insurance risks;
- (d) determine prices, fees and premiums;
- (e) investigate and adjust insurance claims;
- (f) settle or arrange for the settlement of insurance claims, including structured settlements;
- (g) promote and market products and services offered by us, our affiliates, or our strategic partners and alliances, which may include insurance companies, insurance brokers, agents, adjusters and other intermediaries;
- (h) conduct market research;
- (i) recognize and deliver relevant ads to you on our and third party websites and apps;
- (j) verify and provide information to and compile statistics for insurance industry databases;
- (k) report to regulatory or industry entities consistent with prudent and legally required insurance industry practices, including claims history;
- (l) detect, prevent and suppress fraud, unauthorized, or illegal activities;
- (m) comply with all applicable laws, including tax requirements;
- (n) share your information with third party service providers for external processing such as data or payment processing;
- (o) share your information among our affiliates for any of the above purposes.

When we disclose information

When we disclose your personal information to third parties, we require them to protect and handle your personal information in a manner consistent with our privacy practices and all applicable laws. These third parties may at times process and store your information outside of Canada. If your personal information is processed or stored in a foreign country, it will be subject to that country's laws and may be disclosed in accordance with those laws.

(i) Business transactions

If we enter talks about a merger, acquisition or asset sale with a third party, we may share your personal information with them as necessary to assess or complete the business transaction. If your information will be subject to new privacy practices as a result of a business transaction, we will give you notice of this.

How to correct and access your information

You have the right to request correction of your personal information. You also have a right to access your personal information under our control, subject to any legal restrictions or rights of refusal. However, if you exercise this access right, we may charge you a reasonable fee for copying and sending the information from your file. If you want to access your file or have it corrected, please contact our Privacy Office.

How to withdraw your consent

You may withdraw your consent to the collection, use and disclosure of your personal information, subject to certain limitations. However, if you do so, we may not be able to continue to provide you with our insurance products and services, or our best rate on your insurance policy. You may also withdraw your consent to the collection, use and disclosure of your personal information for marketing practices. If you want to withdraw your consent, please contact our Privacy Office.

Questions or concerns? We want to hear about it.

For questions or concerns about this Privacy Promise, or our privacy practices, please contact our Privacy Office at:

Privacy Office

Intact Insurance
700 University Avenue, Suite 1500-A
Toronto, Ontario M5G 0A1
Phone: 1 (866) 941-5094 (toll free)
Fax: 1 (416) 941-5322
Email: privacy@intact.net

If you have a concern we are not able to resolve, you have the right to contact your privacy regulator. Our Privacy Office will give you this contact information upon request.

We may update this Privacy Promise from time to time so please review it often. If we update our Privacy Promise, we will post the most recent version on our website at www.intact.ca/legal.

La version française de cette Promesse de protection de la vie privée est disponible sur demande.

Effective Date: January 1, 2016.

Code of Consumer Rights and Responsibilities

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

Right to Be Informed

You can expect to access clear information about your policy, your coverage, and the claims settlement process. You have the right to an easy-to-understand explanation of how insurance works and how it will meet your needs. You also have a right to know how insurers calculate price based on relevant facts. Under normal circumstances, insurers will advise an insurance customer or the customer's intermediary of changes to, or the cancellation of a policy, at least thirty days prior to the expiration of the policy, if the customer provides information required for determining renewal terms of the policy at least forty-five days prior to the expiration of the policy.

You have the right to ask who is providing compensation to your broker or agent for the sale of your insurance. Your broker or agent will provide information detailing for you how he or she is paid, by whom, and in what ways. Insurance companies will disclose their compensation arrangements with their distribution networks. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

Responsibility to Ask Questions and Share Information

To safeguard your right to purchase appropriate coverage at a competitive price, you should ask questions about your policy so that you understand what it covers and what your obligations are under it. You can access information through brochures and websites, as well as through one-on-one meetings with your broker, agent, or company representative. You have the option to shop the marketplace for the combination of coverages and service levels that best suits your insurance needs. To maintain your protection against loss, you must promptly inform your insurance company or broker or agent of any change in your circumstances. Information required to determine renewal terms of your policy must be provided at least forty-five days prior to the expiration of the policy.

Right to Complaint Resolution

Insurance companies, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access your company's complaint resolution process. Your insurer, agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Consumers may also contact the independent General Insurance OmbudService (www.giocanada.org).

Responsibility to Resolve Disputes

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

Right to Professional Service

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

Right to Privacy

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

The Code of Consumer Rights and Responsibilities was introduced by the Insurance Bureau of Canada as an industry initiative in November 2004 and amended in January 2006. This Code has been voluntarily adopted by Intact Insurance.

Intact Insurance Company
700 University Avenue, Suite 1500
Toronto, ON M5G 0A1

Insured name and postal address

Algoma Nurse Practitioner-Led Clinic
443 NORTHERN Avenue E
SAULT STE. MARIE, ON P6A 5L3

Broker

52055

INTACT PUBLIC ENTITIES INC.MGA
278 Pinebush Road Suite 200 Cambridge, Ontario
N1T 1Z6
Phone No. 800 265 4000

General Information

Intact Insurance Company hereinafter called the Insurer.

Type of Document	NEW BUSINESS
Policy Period	From March 31, 2024 To March 31, 2025 12:01 A.M. local time at the postal address of the Insured shown above
Insured's Business Operations	Medical clinic
Billing Method	Agency Bill

Total Policy Premium **\$504**

Save paper, add convenience!
Ask your broker to send your insurance documents electronically.



This policy contains a clause(s) that may limit the amount payable



In consideration of the Premium stated, the Insurer will indemnify the Insured with the Terms and Conditions of this Policy.

This Policy is issued subject to the Declaration Page(s), Coverage Agreements, Exclusions, Definitions, Conditions, and Limits as well as the Riders, Endorsements or Amendments brought to this Policy which may from time to time be added to form part of this Policy.

Whenever used in the Declaration Page(s) or in the Forms and Endorsements forming part of this insurance contract, the expression "Policy" means this/these Declaration Page(s) and all the Forms, Riders, Endorsements and Amendments brought to this Policy forming part of this insurance contract for each Coverage.

Notwithstanding any contrary provision, the Coverage provided under any Form or Endorsement attached to this Policy does not extend to any other Form or Endorsement, unless such Form or Endorsement specifies that its Coverage extends and applies to this other Form or Endorsement.

In accepting this Policy, the Insured and the Beneficiary, if any, recognize that from the effective date of this Policy, any previous policy stated in the Declaration Page(s) is replaced by this Policy, including all renewals attaching thereto.

CANCELLATION

In consideration of the return premium, if any, this Policy and Renewal (if any) are cancelled and surrendered to the Insurer.

Date of Cancellation (Day, month, year): _____

Reason: _____

Signature: _____
Insured Date

Location 1

Address 443 NORTHERN Avenue E
SAULT STE. MARIE, ON P6A 5L3

Occupancy Medical clinic

Coverage	Form	Coinsurance	Deductible	Limit of Insurance
		%	\$	\$
Equipment Breakdown Advantage	BM31-4			
Direct Damage - Including Production Machines			1,000	10,000,000
Direct Damage - Production Machines Deductible			1,000	
Extension of Coverage - Ammonia Contamination				500,000
Extension of Coverage - Expediting Expenses				Included
Extension of Coverage - Hazardous Substances				500,000
Extension of Coverage - Loss of Data				100,000
Extension of Coverage - Selling Price				Included
Extension of Coverage - Service Interruption				Included
Extension of Coverage - Water Damage				500,000
Equipment Breakdown Advantage - Extra Expense	BM34-3			250,000
100% when the period of restoration is not in excess of one month				
Production Machinery Waiting Period: 24 Hours				
Waiting Period: 24 Hours				
Equipment Breakdown Advantage - Consequential Damage	BM35-3	80	1,000	50,000
Deductible: 10% of loss subject to minimum dollar deductible				
Specified Property: Products Under Refrigeration				
BM31 - Equipment Breakdown Advantage – Blanket Coverage and Combined Limit	GE0001			

Additional Conditions

	Form
Declaration of Emergency Endorsement	2485-1
Virus and Bacteria Exclusion Endorsement	E199-1
Cyber Incident Exclusion Endorsement	E201-1
General Conditions	G011-5



Emergency number

If you have a serious loss after regular business hours,
please call:

1 866 464 2424

BM31 - Equipment Breakdown Advantage – Blanket Coverage and Combined Limit

This Endorsement changes the Policy. Please Read it Carefully.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Endorsement; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Equipment Breakdown Advantage Form and is subject to all terms, conditions, limitations and exclusions of such Form and any other Forms attached thereto.

Words and phrases that appear in bold and/or in quotation marks are defined within this Endorsement or in the Definitions section of the Policy.

It is agreed that Coverage as shown for Location 1 is extended to all "premises" as per the Estimate of Values on file with the Insurer and subject to the following:

Our total liability for any loss or damage to "equipment" and to other "insured property" directly damaged by a "breakdown", loss directly resulting from "business interruption", "extra expense", "consequential damage" or "contingent business interruption", subject to coverage provided by this Policy, shall in no event exceed an amount of \$10,000,000 in respect to "any one breakdown".

It is also agreed that payments shall be determined in the following fixed order, and that the portion of the limit for any "business interruption", "extra expense", "consequential damage" or "contingent business interruption" indemnity shall be payable to the extent of any remaining amount of insurance available after payment of loss to "equipment" and to "other insured property" in respect to "any one breakdown" as may be required.

1. Coverage afforded by Form BM31;
2. Coverage afforded by Form BM33, if coverage is shown in the Declaration Page(s) and subject to the Limit of Insurance as stated applicable to such Form, which amount is part of and not in addition to the Limit of Insurance applicable to BM31;
3. Coverage afforded by Form BM36, if coverage is shown in the Declaration Page(s) and subject to the Limit of Insurance as stated applicable to such Form, which amount is part of and not in addition to the Limit of Insurance applicable to BM31;
4. Coverage afforded by Form BM37, if coverage is shown in the Declaration Page(s) and subject to the Limit of Insurance as stated applicable to such Form, which amount is part of and not in addition to the Limit of Insurance applicable to BM31;
5. Coverage afforded by Form BM38, if coverage is shown in the Declaration Page(s) and subject to the Limit of Insurance as stated applicable to such Form, which amount is part of and not in addition to the Limit of Insurance applicable to BM31;
6. Coverage afforded by Form BM34, subject to the limit as shown in the Declaration Page(s) applicable to such Form, which amount is part of and not in addition to the Limit of Insurance applicable to BM31;
7. Coverage afforded by Form BM35, subject to the limit as shown in the Declaration Page(s) applicable to such Form, which amount is part of and not in addition to the Limit of Insurance applicable to BM31;
8. Coverage afforded by Form BM39, subject to the limit as shown in the Declaration Page(s) applicable to such Form, which amount is part of and not in addition to the Limit of Insurance applicable to BM31.

Nothing contained in this Endorsement shall increase the Limits of Insurance specified in the Declaration Page(s), notwithstanding the number of "premises" involved in "any one breakdown".

For the purpose of this endorsement:

"Business interruption" means coverage provided by Forms BM33 Equipment Breakdown Advantage – Loss of Profits, BM36 Equipment Breakdown Advantage – Ordinary Payroll, BM37 – Equipment Breakdown Advantage – Gross Rents, BM38 – Equipment Breakdown Advantage - Gross Earnings, if shown in the Declaration Page(s) and only applicable to "premises" where such coverage is indicated on the Estimate of Values as on file with the Insurer.

"Contingent business interruption" means coverage provided by Form BM39 – Equipment Breakdown Advantage - Contingent Business Interruption, if shown in the Declaration Page(s), and as applicable to all "premises" where "business interruption" is insured.

"Consequential damage" means coverage provided by Form BM35 – Equipment Breakdown Advantage – Consequential Damage, if shown in the Declaration Page(s), and as applicable to all "premises" on the Estimate of Values as on file with the Insurer.

All other terms and conditions of the policy remain unchanged.

DECLARATION OF EMERGENCY ENDORSEMENT - EXTENSION OF TERMINATION OR EXPIRY DATE

The effective date of termination of this policy by the Insurer or the expiry date of this policy is extended, subject to the conditions and definitions set out below, as follows when an "emergency" is declared by a Canadian public authority designated by statute for the purpose of issuing such an order.

1. The "emergency" must have a direct effect or impact on:
 - i) the Insured, the insured site or insured property located in the declared emergency area; or
 - ii) the operations of the Insurer or its agent/broker located in the declared emergency area.
2.
 - A. Any time limitation described in the Termination condition of this policy, with respect to termination of this policy by the Insurer, will not continue to run until the "emergency" is terminated plus the lesser of:
 - i) 30 days; or
 - ii) the number of days equal to the total time the "emergency" order was in effect.
 - B. If this policy is due to expire during an "emergency", it will continue in force until the "emergency" is terminated plus the lesser of:
 - i) 30 days; or
 - ii) the number of days equal to the total time the "emergency" order was in effect.
3. In no event shall the total term of this extension exceed 120 consecutive days

The Insured agrees to pay the pro rata premium earned for the additional time the Insurer remains on risk as a result of the above.

"Emergency" means the first statutory declaration of an emergency:

- a) with respect to a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act whether intentional or otherwise; or
- b) as provided for by the relevant governing legislation if different from a), but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

All other terms and conditions of the Policy to which this endorsement applies remain unchanged.

EQUIPMENT BREAKDOWN ADVANTAGE

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SUMMARY OF COVERAGES

INCLUDED IN POLICY LIMIT		
Item	Extensions of Coverage	Amounts of Insurance
1.	Expediting expenses	Included/As shown in the Declaration Page(s) in respect to any one breakdown
2.	Hazardous substances	As shown in the Declaration Page(s) in respect to any one breakdown
3.	Ammonia contamination	As shown in the Declaration Page(s) in respect to any one breakdown
4.	Water damage	As shown in the Declaration Page(s) in respect to any one breakdown
5.	Equipment upgrade	25% - maximum of \$250,000 in respect to any one breakdown
6.	Loss of data	As shown in the Declaration Page(s) in respect to any one breakdown
7.	By-Laws	Included
8.	Professional Fees/Auditors Fees	\$500,000 in respect to any one breakdown
9.	New acquisitions	Included
10.	Errors or omissions in statements of values	\$500,000 in respect to any one breakdown
11.	Service interruption	Included/As shown in the Declaration Page(s) in respect to any one breakdown
12.	Liberalization clause	\$50,000 in any one Policy Period
13.	Interruption by civil authority	Included - Maximum 30 consecutive days
14.	Spares mitigation	Included
15.	Brands and labels	\$250,000 in respect to any one breakdown
16.	Environmental "green" improvements	125% - maximum \$250,000 in respect to any one breakdown
17.	Off-premises mobile equipment	\$25,000 in respect to any one breakdown
18.	Selling price	Included/As shown in the Declaration Page(s) in respect to any one breakdown
19.	Public relations	\$10,000 in respect to any one breakdown

N.B. See the wording of each Extension for full conditions of coverage.

Throughout this Policy the words "you" and "your" refer to the Named Insured shown in the Declaration Page(s). The words "we", "us" and "our" refer to the company providing this insurance.

Words and phrases that appear in bold have special meaning. Refer to the DEFINITIONS Section.

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

INSURING AGREEMENT

- In consideration of the premium, in the event of a **breakdown** of the **equipment** during the Policy Period, while said **equipment** is on the **premises** and in use or connected ready for use, when such **equipment** is owned by you, leased, rented and/or under your care, custody or control, we agree to pay for loss or damage to the **equipment** and to other **insured property** directly damaged by the **breakdown**.

EXCLUSIONS

This Form does not apply to loss or damage arising directly or indirectly:

- from nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled, caused directly or indirectly by, contributed to or aggravated by a **breakdown**;
- from:
 - war, including undeclared or civil war;
 - warlike action by military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents;

- 2.3. insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these; or
- 2.4. civil commotion, sabotage, strike, vandalism or malicious acts;
3. by pollution, contamination or damage by a **hazardous substance**, however caused, except as provided under Extension of Coverage **2. HAZARDOUS SUBSTANCES**;
4. by a **breakdown** caused by or resulting from:
 - 4.1. earth movement, including but not limited to earthquake, landslide, mud flow, subsidence volcanic eruption, tidal wave or tsunami;
 - 4.2. wind, including but not limited to cyclone, tornado or hurricane;
 - 4.3. fire, smoke, or combustion explosion; or
 - 4.4. water or other means used to extinguish a fire;
5. by:
 - 5.1. fire, smoke or combustion explosion that occurs at the same time as a **breakdown** or that ensues from a **breakdown**. However, with respect to any **equipment** which is a fully or totally enclosed electrical or electronic machine or apparatus, fire damage within the said machine or apparatus which occurs at the same time as a **breakdown** or that ensues from a **breakdown** is covered;
 - 5.2. water escape resulting from a **breakdown**, except to the extent provided under Extension of Coverage **4. WATER DAMAGE** or unless the water escapes from **equipment** that normally contains water or steam;
 - 5.3. flood. However, if a **breakdown** results from a flood, damage or expense caused by such **breakdown** is covered;
 - 5.4. lightning if coverage for this cause of loss is provided by any other insurance in effect at the time of the loss; or
 - 5.5. a peril covered elsewhere in this Policy;
6. by a **breakdown to equipment** while:
 - 6.1. undergoing hydrostatic, pneumatic or gas pressure test;
 - 6.2. undergoing an electrical or performance test;
 - 6.3. undergoing an insulation **breakdown** test; or
 - 6.4. being dried out;
7. by an explosion within the furnace of any boiler of the chemical recovery type or within the passages from the furnace to the atmosphere whether or not such explosion:
 - 7.1. is contributed to or aggravated by a **breakdown** to any part of said boiler that contains steam or water; or
 - 7.2. is caused in whole or in part, directly or indirectly, by a **breakdown** to any **equipment**, or part thereof;
8. from spoilage resulting from a **breakdown to equipment**, unless the Equipment Breakdown - Consequential Damage Coverage is specified in the Declaration Page(s);
9. from interruption of business caused directly or indirectly by a **breakdown to equipment**, unless the Equipment Breakdown - Business Interruption Coverage is specified in the Declaration Page(s);
10. any other indirect consequence of a **breakdown to equipment**;
11. in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**;
 This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.
 If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect;
12. from the partial or total failure, malfunction or loss of use of any electronic **equipment**, computer system, information repository, microchip, integrated circuit or other similar device due to:
 - 12.1. the erasure, destruction, corruption, misappropriation or misinterpretation of **data**;
 - 12.2. any error in creating, amending, entering, deleting or using **data**;
 - 12.3. the inability to receive, transmit or use **data**; or
 - 12.4. the impact of any virus or the functioning or malfunctioning of the Internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility;
 However, we shall pay for loss that ensues solely from the **breakdown** of any other **equipment** owned by you;
13. from any watercraft, locomotive or aircraft.

EXTENSIONS OF COVERAGE

The following Extensions of Coverage shall not increase the amount of insurance stated in the Declaration Page(s):

1. EXPEDITING EXPENSES

We will pay up to the amount stated in the Declaration Page(s) in respect to **any one breakdown** for the reasonable extra cost of temporary repairs to the **insured property** damaged by a **breakdown** or the cost to expedite the repair or replacement of such damage to **insured property**, including overtime and the extra cost of express or other rapid means of transportation. We will not pay for the costs of other property for use on a temporary basis while the damaged **insured property** is being repaired or replaced.

2. HAZARDOUS SUBSTANCES

If a **hazardous substance** is involved in or released by a **breakdown of equipment**, we will pay, up to the amount stated in the Declaration Page(s) in respect of **any one breakdown**, for:

- 2.1. the increase in cost to repair, replace, clean up, restore or dispose of affected **insured property**;
- 2.2. any increase in business interruption loss because of the presence of **hazardous substances**, provided the Equipment Breakdown - Business Interruption Coverage is specified in the Declaration Page(s);

We shall not be liable under this Coverage for loss or damage caused by ammonia contamination.

For the purpose of this extension of coverage, "increase in cost" is the cost beyond that for which we would have been liable had no **hazardous substance** been present.

3. AMMONIA CONTAMINATION

If there is a **breakdown to equipment**, we will pay, up to the amount stated in the Declaration Page(s) in respect of **any one breakdown**, for loss with respect to damage by ammonia contacting or permeating property under refrigeration or in process requiring refrigeration. This amount includes salvage expenses.

4. WATER DAMAGE

We will pay, up to the amount stated in the Declaration Page(s) in respect of **any one breakdown**, for loss to **insured property** damaged by water. This amount includes salvage expenses.

5. EQUIPMENT UPGRADE

This Form is extended to cover any increase in the cost of replacing **equipment** damaged as a result of a **breakdown**, provided:

- 5.1. the **equipment** is replaced with a new **equipment** that is capable of performing the same functions and that may include technological improvements; or
- 5.2. the amount of loss or damage to the **equipment** equals or exceeds its **actual cash value**.

This Extension shall not exceed twenty-five percent (25%) of the value of the damaged **equipment**, determined in accordance with the basis of settlement clause of the Policy, subject to a maximum recovery of \$250,000 in respect of **any one breakdown**.

6. LOSS OF DATA

Notwithstanding the Data problem exclusion provided under this Form or this Policy, if **data** is lost or damaged, we will pay, up to the amount stated in the Declaration Page(s) in respect of **any one breakdown**, for:

- 6.1. the cost of gathering or reproducing the **data**;
- 6.2. the business interruption resulting from the loss or damage to the **data**, provided the Equipment Breakdown - Business Interruption Coverage is specified in the Declaration Page(s);

However, we shall not be liable for **data** which is lost or damaged as a result of programming errors of any kind.

7. BY-LAWS

If prior to the time of a **breakdown** there is in force a law, by-law, ordinance, regulation, rule or ruling regulating or restricting repair, alteration, use, operation, construction or installation of **insured property**, we will pay for:

- 7.1. the increase in cost of repair or replacement of both damaged and undamaged property (including any demolition and site clearing costs) which is necessary to meet the minimum requirements of the law, by-law, ordinance, regulation, rule and/or ruling;
- 7.2. any increase in business interruption loss resulting from the enactment or application of any by-law, ordinance, law, regulation, rule and/or ruling, provided the Equipment Breakdown - Business Interruption Coverage is specified in the Declaration Page(s);

8. PROFESSIONAL FEES/AUDITORS FEES

In the event that a **breakdown** occurs, we will pay, up to an amount of \$500,000 in respect of **any one breakdown**, for the reasonable and necessary fees payable to auditors, accountants, architects, legal counsels, engineers or other professionals, excluding your employees, to help produce and certify information required by us to establish the amount payable under this Form.

9. NEW ACQUISITIONS

Coverage is extended to include new **premises** you may acquire, or those you occupy as tenant, provided:

- 9.1. you notify us of your new acquisition in writing;
- 9.2. the **equipment** situated inside these **premises** is a type covered in the definition of **equipment**;
- 9.3. you agree to pay any resulting additional premium; and
- 9.4. the newly acquired or rented location is in Canada.

This Extension of Coverage shall apply at the time of the acquisition or location and extends for a period of 180 days, or to the date of endorsement of this Form adding such location, or until the expiry date of this Policy, whichever occurs first.

10. ERRORS OR OMISSIONS IN STATEMENTS OF VALUES

In the event of any unintentional error or omission in the statements of values that you submit to us or in the description of the **insured property**, we shall indemnify you, subject to a maximum recovery of \$500,000 in respect of **any one breakdown**.

It is a condition of this Extension of Coverage that such error or omission be reported to us as soon as it is discovered. We reserve our right to charge an appropriate premium or to impose appropriate, additional conditions with respect to any such corrections that are made to the Policy.

11. SERVICE INTERRUPTION

If there is a **breakdown** of **equipment** not owned or operated by you, we will pay up to the amount stated in the Declaration Page(s) in respect to **any one breakdown** for:

- 11.1. loss of perishable **insured property** which spoils; and/or
- 11.2. loss due to business interruption;

But only if:

- 11.3. Consequential Damage and/or Business Interruption Coverage(s) of the Equipment Breakdown Insurance is(are) specified in the Declaration Page(s);
- 11.4. the **equipment** is also:
 - 11.4.1. of a kind described under the definition of **equipment**;
 - 11.4.2. situated on or within a 2500 meters radius of the **premises**;
 - 11.4.3. the property of a public utility or of the building owner of the **premises**;
 - 11.4.4. used to supply steam, gas, air, water, refrigeration, electricity, air conditioning, heating or communication services to the **premises**.

12. LIBERALIZATION CLAUSE

For a period not exceeding twenty-four (24) months from this Policy's first inception date, this Form is extended to include any extension of coverage afforded under the direct property damage section of the Equipment Breakdown/Boiler and Machinery policy immediately preceding this Form but not afforded by this Form or subject to a lesser limit under this Form, provided that:

- 12.1. such extension of coverage has not been declined by us;
- 12.2. such extension of coverage has not been refused by the Insured following conditions proposed by us;
- 12.3. our liability does not exceed the amount of insurance specified for such extension of coverage in the prior policy; and

This Extension is limited to a maximum recovery of \$50,000 in any one Policy Period. If during the Policy Period we introduce any broadening of this Form and for which no additional premium is charged, then such broadened insurance inures to the benefit of the Insured under this Form (effective from the date of formal introduction by us of such broadened insurance).

13. INTERRUPTION BY CIVIL AUTHORITY

We shall pay, for up to thirty (30) consecutive days, for losses resulting from civil authority barring access to your **premises** and which compromises the normal course of your activities. This interdiction must be a direct consequence of a **breakdown** to **equipment**, which would have been covered if the said **breakdown** had happened to your **equipment**, but instead affected other **equipment** of a neighbouring location, but only if the **equipment** is also of a kind described under the definition of **equipment**.

This Extension shall only apply if the Equipment Breakdown - Business Interruption Coverage is specified in the Declaration Page(s).

This Extension does not apply if coverage for loss arising out of interruption by civil authority is specifically insured under a separate form of commercial property or business interruption insurance, whether attached to this Policy or not.

14. SPARES MITIGATION

If a **breakdown** occurs to a Spare **equipment** that is connected and in use for the sole purpose of reducing loss under this Form, such **breakdown** shall be considered as part of the loss being so reduced and no additional or deductible shall apply.

Spare **equipment**, as used herein shall mean an **equipment** acquired by you prior to **breakdown** and held specifically to spare existing operating **equipment**.

15. BRANDS AND LABELS

In the event of loss or damage arising out of a **breakdown** to **insured property** bearing a brand name or trademark, we shall indemnify you, subject to a maximum of \$250,000 in respect to **any one breakdown**, for the cost of removal of such brands, trademarks or other identifying characteristics (provided that such removal will not physically damage the **insured property**) prior to the sale, as salvage, of such **insured property** damaged by a **breakdown**; in accordance with the value established by us during loss adjustment. The salvage value of such damaged **insured property** is determined after removal (in the customary manner) of all such brands or trademarks or other identifying characteristics.

16. ENVIRONMENTAL "GREEN" IMPROVEMENTS

If the **equipment** requires replacement due to a **breakdown**, we will pay you additional costs to replace your **equipment** with one that is better for the environment, and more efficient than the **equipment** being replaced. We will not pay more than 125% to a maximum amount of \$250,000 in respect to **any one breakdown**, of what the cost would have been to replace with like kind, capacity, size, quality and function.

This Extension does not apply to any **equipment** valued at **actual cash value**, obsolete **equipment** and/or uninsured **equipment**.

Furthermore, we will pay up to a maximum of \$25,000, such amount being a part of the above stated limit and not in addition to:

- 16.1. the additional reasonable and necessary fees incurred by you for an accredited professional certified by a **green authority** to participate in the repair or replacement of physical damaged **equipment** as **green**;
- 16.2. the additional reasonable and necessary cost incurred by you for certification or recertification of the replaced or repaired **equipment** as **green**; and
- 16.3. the additional reasonable and necessary cost incurred by you for **green** removal, disposal or recycling of damaged **equipment**.

This coverage does not apply to any:

- 16.4. stock, raw material, finished goods, production **equipment**, merchandise, electronic data processing equipment not used in the functional support of the **equipment**, process water, molds and dies, property in the open or property of others for which you are legally liable;
- 16.5. loss covered under any other section of this Form; or
- 16.6. cost incurred due to any law or ordinance with which you were legally obligated to comply prior to the time of the **equipment breakdown**.

17. OFF-PREMISES MOBILE EQUIPMENT

We will pay, up to a maximum of \$25,000 in respect of **any one breakdown**, for your loss or damage as defined in the **INSURING AGREEMENT** section of this Form, for mobile **equipment** that at the time of the **breakdown** is not on the **premises** provided that such mobile **equipment** is:

- 17.1. of a type described in the definition of **equipment**; and
- 17.2. at a location within Canada.

This coverage does not apply to any loss of mobile equipment:

- 17.3. when such equipment is manufactured or distributed by you or on your behalf for sale; or
- 17.4. resulting from collision, upset or external impact.

18. SELLING PRICE

Up to the amount stated in the Declaration Page(s) in respect to **any one breakdown** for this extension, coverage for your finished manufactured products or your merchandise is calculated under clause **2. BASIS OF SETTLEMENT** from the **SPECIAL CONDITIONS** section, at the regular cash selling price at the time of the loss of such manufactured products or merchandise located on the **premises** where the loss occurs, less all discounts and charges to which these manufactured products or merchandise would have been subject had no loss occurred.

19. PUBLIC RELATIONS

We will pay, up to an amount of \$10,000 in respect of **any one breakdown**, for loss under business interruption, for reasonable costs for public relations services rendered by professionals to draft, create or broadcast communications, when the need for such communications arises directly from business interruption. These communications must be directed to:

- 19.1. the media;
- 19.2. the public; or
- 19.3. your customers, clients or members.

Such costs must be incurred during the Policy Period and end:

- 19.4. thirty (30) consecutive days after the date the **insured property** is repaired or replaced; or
 - 19.5. the necessary period of time to proceed with due diligence and dispatch to rebuild, repair or replace such **insured property** has been damaged by the **breakdown**;
- Whichever occurs first.

SPECIAL CONDITIONS

1. AMOUNTS OF INSURANCE

Our total liability for any loss or damage to **equipment** from **any one breakdown** shall not exceed the limit of insurance stated in the Declaration Page(s).

2. BASIS OF SETTLEMENT

We agree to pay for **insured property** which is damaged as follows:

- 2.1. with regards to **media**, the cost of blank material;
- 2.2. with regards to exposed film, records, manuscripts and drawings, the cost of blank material plus the cost of transcription;
- 2.3. with regards to any heat exchanger that forms part of forced air heating **equipment** that is five (5) years old or more from the date of purchase new, its **actual cash value**;
- 2.4. with regards to any building for which the Guaranteed Replacement Cost Endorsement is specified in the Declaration Page(s), the terms and conditions specified in such endorsement will apply regardless of item **1. AMOUNTS OF INSURANCE** of this section;
- 2.5. with regards to all other **insured property**, the lesser of the cost at the time of the **breakdown**:
 - 2.5.1. to repair; or
 - 2.5.2. to replace with similar property of like kind, capacity, size, quality and function.

We shall not be liable:

- 2.6. for the cost of repairing or replacing any part or parts of a piece of **equipment** which is greater than the cost of repairing or replacing the entire piece of **equipment**;
- 2.7. for more than the cost to replace the property with other property of like kind, capacity, size, quality and function; or
- 2.8. for loss or damage to any **insured property** which is useless or obsolete to you.

3. DEDUCTIBLE

For any loss or damage caused by **any one breakdown**, you shall bear that part of the loss corresponding to the applicable deductible specified in the Declaration Page(s).
If more than one deductible is specified and is applicable to covered loss under this Policy from **any one breakdown**, only one deductible shall be applied and that shall be the highest of the applicable deductibles as specified in the Declaration Page(s).

4. INSPECTION AND SUSPENSION

We reserve our right, at all reasonable times during the Policy Period, to inspect any **equipment** and the **premises** where said **equipment** is located. If it is discovered by any one of our representatives that any **equipment** is subject to or is exposed to a dangerous condition, this representative may immediately suspend the coverage for loss and damages resulting from the **breakdown** of such **equipment** (including any protection applying to the interest of any mortgagee specified in the Policy).

Notice of suspension shall be given either at the mailing address specified in the Declaration Page(s), or at the **premise** where the **equipment** is situated. We agree to furnish a copy of the suspension notice to the mortgagee. Once coverage has been suspended, it can only be reinstated by an endorsement issued to form part of this Policy. You shall be allowed a pro rata refund of premium for that **equipment** for the period that coverage is suspended.

5. REFILLABLE TANKS

We consider as connected ready for use any unfired pressure vessel used for storage of gas or liquid which is periodically filled, moved, emptied and refilled in the course of its normal service.

6. HEAT TRANSFER MEDIUM

When a vessel uses a heat transfer medium other than water, this medium or its vapour are considered as replacing the words "water" or "steam".

Where the laws of Québec govern this Policy, the general conditions contained under form 240.0e, General Conditions, supersede the following special conditions in case of duplication:

7. OTHER INSURANCE

Notwithstanding the Other Insurance clause stipulated under the General Conditions form or the Statutory and General Conditions Form, in the event where another insurance would apply following a **breakdown**, coverage under this Policy shall only apply as excess insurance over any other insurance provided.

8. NOTICE OF BREAKDOWN AND COMMENCEMENT OF LIABILITY

You shall immediately give notice of **breakdown** to any of our offices. The commencement of our liability under this coverage shall be:

- 8.1. the time of the **breakdown**; or
- 8.2. twenty-four (24) hours before the notice of **breakdown** is received;

whichever is later.

9. SUBROGATION

In the event of any payment under this Form, we are subrogated to all of your rights of recovery against any person or organization.

You shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. Following a **breakdown**, you must not do anything to prejudice such rights.

10. OTHER DUTIES AND RESPONSIBILITIES

In case of any loss or damage out of which a claim may arise under this Form, you must take all reasonable and necessary steps to salvage the **insured property** or to protect the **insured property** from further damage. You must not incur any costs or expense (other than at your own cost or expense) without our explicit approval beforehand or as explicitly allowed by the Policy. You must offer us all assistance and cooperation during the investigation and adjusting of any claim.

11. ACTION AGAINST INSURER

No action lies against us unless, as a condition precedent to any such action, you have fully complied with all terms of this Policy. No action lies against us unless such action is begun within fourteen (14) months from the date of a **breakdown**.

12. ASSIGNMENT - BANKRUPTCY

The assignment by you of an interest in the **insured property** under this Form does not bind us until its consent is endorsed onto the Policy. If you die, are adjudged bankrupt or insolvent or if you assign your interest in the insurance to a co-insured during the Policy Period, this Form (unless cancelled for non-payment) covers your legal representative, your trustee in bankruptcy or any remaining insured in the same manner it does for you, provided that written notice is given to us within sixty (60) days after the date of your death or adjudication.

13. CANCELLATION

This Form may be cancelled by you by mailing us a written notice stating the date such cancellation is effective. This Form may be cancelled by us by mailing you at your address specified in the Declaration Page(s), written notice stating when not less than sixty (60) days thereafter such cancellation is effective. Such mailing of notice is sufficient proof of notice. The effective date and hour of cancellation stated in the notice becomes the end of the Policy Period. Delivery of such written notice either by you or by us is equivalent to mailing. If you cancel, the earned premium is computed in accordance with the standard short rate cancellation table. If the Insurer cancels, the earned premium is computed pro rata.

Computation of any premium refund due to cancellation is subject to any premium amount specified for this Form as a minimum retained premium.

14. CHANGES

By accepting this Form, you agree that this Form embodies all agreements existing between yourself and us or any of our agents relating to this insurance. Notice to any agent or knowledge possessed by any agent or by any other person is not a waiver or change in any part of this Form. Such notice does not stop us from asserting any rights under this Form. The terms of this Form are in no way waived or changed except by endorsement issued to form a part of this Form. The additional or return premium for any such endorsement shall be computed in accordance with our rating standards and practices that are applicable to such change.

15. MORTGAGE INTEREST

If any loss payee is noted in the Declaration Page(s) or in the Locations and Loss Payees Schedule as Mortgagee with respect to any Location described in the Declaration Page(s), loss (if any) under the Direct Damage Insuring Agreement, on your property at the said Location, shall be adjusted with and payable to you and the said Mortgagee, as their interests may appear. We reserve our right to cancel the Policy as provided in the Cancellation Condition of the Policy. In such case we agree to mail to said Mortgagee, at the address specified with the name of said Mortgagee, a copy of the written cancellation notice mailed or delivered to you. Such cancellation, as respects the interest of the said Mortgagee, is effective at the time specified in said notice to you, but in no event earlier than sixty (60) days after the day of mailing of said copy of notice to said Mortgagee. We reserve our right to suspend insurance (which includes any insurance applying to the interest of said Mortgagee) on **equipment** at the said Location in accordance with the Inspection and Suspension Condition of the Policy, and we agree to furnish said Mortgagee, at the address specified with the name of said Mortgagee, with a copy of the suspension notice.

16. ADDITIONAL INSURED

Any name mentioned as an additional Insured in the Declaration Page(s), or in any Schedules or Endorsements attached to the Form, is considered an Insured as their interest may appear, but only with respect to loss from a **breakdown** at the location for which the additional Insured is shown. Nothing contained in this Condition clause, nor the inclusion under this Form of more than one Insured (or of additional Insureds), shall operate to increase our Limit of Insurance.

17. CANADIAN CURRENCY CLAUSE

All sums, limits, deductibles and other amounts shown in this Form, stipulated in the Declaration Page(s) or in connection with this Policy are in Canadian currency.

18. DISPUTED LOSSES

If a covered loss exists and there is disagreement between the Property Insurer and us as to which insurer is liable or as to the proportion of the loss to be paid by each Insurer, then upon written request by you we shall settle the loss in accordance with the Insurance Bureau of Canada's Property/Boiler Agreement Respecting Disputed Losses, providing the Property insurer is signatory to that Agreement or has agreed in writing to be bound by its contents.

DEFINITIONS

Whenever used in this Form:

1. **Actual cash value** means the cost of replacing the damaged **equipment** with property of similar kind, capacity, size, quality and function less depreciation however caused. We will consider such items as the age, condition and normal life expectancy of the damaged **equipment** in determining depreciation.
2. **Any one breakdown**
If either the **breakdown of equipment** causes the **breakdown** of other **equipment** or a series of **breakdowns** occur at the same time as a result of the same cause, they will all be considered as **any one breakdown**.
3. **Breakdown** means a sudden and accidental failure of **equipment** resulting in physical damage which requires the repair or replacement of the **equipment** or a part of the **equipment**.
Breakdown does not mean:
 - 3.1. depletion, deterioration, corrosion or erosion of material;
 - 3.2. wear and tear;
 - 3.3. the functioning of any safety device or protective device;
 - 3.4. the failure of a structure or foundation supporting the **equipment** or a part of the **equipment**;
 - 3.5. the cracking of any part of any turbine exposed to the products of combustion;
 - 3.6. leakage at any valve, fitting, shaft seal, gland packing, joint or connection; or
 - 3.7. the **breakdown** of any vacuum tube, gas tube or brush.
4. **Data** means facts, concepts and information which is converted to a form useable for computer equipment, and includes programs, software, interpretation and coded instructions for the processing and manipulation of data, also including and the electronic and electromechanical data processing or, and also includes data arising from electronically controlled **equipment** or the direction and manipulation of such **equipment**.
5. **Equipment** means any **equipment** owned, leased, operated or for which you have care, custody or control as described below:
 - 5.1. any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure other than static pressure of contents, any piping connected thereto or any other piping and its accessory **equipment**, any heat exchanger that forms part of forced air heating **equipment**, but not including any:
 - 5.1.1. boiler setting, any refractory or insulating material;
 - 5.1.2. part of a boiler or fired pressure vessel that does not contain steam or water;
 - 5.1.3. drainage piping, any sprinkler piping and its accessory **equipment**; or
 - 5.1.4. **equipment** (including piping) which is not in a conduit beneath the surface of the ground and that requires the removal, excavation or demolition of materials in order to inspect, remove, repair or replace such **equipment** or such piping. However, this exclusion doesn't apply to **geothermal heating systems**;
 - 5.2. any mechanical or electrical **equipment** used for the generation, transmission or utilization of mechanical or electrical power, but not including any:
 - 5.2.1. vehicle, power shovel, excavator dragline or other mobile **equipment**, but not excluding any electrical, pressure or mechanical **equipment** used with such machine or apparatus;
 - 5.2.2. lifting or safety cables, anchorages, car buffers or counterweight buffers forming part of an elevator system;
 - 5.2.3. conveyor belt;
 - 5.2.4. in-ground hydraulic cylinder forming part of an elevator system and not protected by PVC covering or similar covering;
 - 5.3. any complete production machine or apparatus which processes, forms, cuts, shapes, grinds or conveys raw materials, material in process, waste material or finished product, and any **equipment** forming part of the driving or controlling mechanism for such production machine or apparatus, but not including any:
 - 5.3.1. conveyor belt;
 - 5.3.2. any laser cartridge;
 - 5.3.3. any felt, belt, die, mold, screen, extrusion plate, swing hammer, grinding and/or cutting blade or disc, rod, bowl liner, wear plate or mantle forming a part of a machine.

If stated on the Declaration Page(s) as Direct Damage – Excluding Production Machines, then this sub-paragraph 5.3. does not apply.

 - 5.4. any electronic **equipment** or fibre optic cable, but **equipment** shall not include any:
 - 5.4.1. anode tube, x-ray tube, video amplifier tube or klystron tube; or
 - 5.4.2. laser cartridge.
6. **Fungi** includes, but is not limited to, any form or type of mould, yeast, mushroom 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.
7. **Geothermal heating systems** means underground piping as a means of heat transfer.
8. **Green** means products, materials, methods and processes certified by a **green authority** that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
9. **Green Authority** means an authority on building products, materials, methods or processes that are certified and accepted by industry associations or government as supporting environmental sustainability and/or energy conservation. These entities include but are not limited to: Leadership in Energy and Environmental Design (LEED), Green Building Initiative (Green Globes), Energy Star, Building Owners and Managers Association (BOMA) BEST, any applicable Canadian Standards Association guideline (CSA), ISO Standards or any other environmental sustainability or energy conservation rating or certification system recognised by us.
10. **Hazardous substance** means:
 - 10.1. any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
 - 10.2. any **fungi**, **spores** or toxins created or produced by or emanating from such **fungi** or **spores** whether or not allergenic, pathogenic or toxigenic.
11. **Insured property** means:
 - 11.1. Your property; or
 - 11.2. Property of others in your care, custody or control and for which you are legally liable.

12. **Media** means tangible material or virtual support on which **data** is recorded.
13. **Premises** means the entire area within the property lines and areas under adjoining sidewalks and driveways at the location described in the Declaration Page(s).
14. **Spores** includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any **fungi**.
15. **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.

EQUIPMENT BREAKDOWN ADVANTAGE – EXTRA EXPENSE

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases that appear in bold have special meaning as defined below or in the Form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Endorsement; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Equipment Breakdown Advantage Form and is subject to all terms, conditions, limitations and exclusions of such Form.

INSURING AGREEMENT

1. We will pay you for your **extra expense** during the **period of restoration** provided all of the following requirements are met:

- 1.1. the **extra expense** must be caused solely by a **breakdown** to an **equipment** included in this coverage and situated at the **premises**;
- 1.2. the loss must be as a result of direct physical damage to the **insured property**;
- 1.3. the **breakdown** must occur during the time this coverage is in force;
- 1.4. the **equipment** that has suffered the **breakdown** must be in use or connected and ready for use.

We will pay the reasonable **extra expense**, subject to the Amount of Insurance stated on the Declaration Page(s), that you have incurred in order to continue as nearly as practicable the **normal** operation of your business during the **period of restoration**.

EXCLUSIONS

We shall not be liable for payment for any interruption or interference with business:

- 1.1. resulting from the kinds of breakdown that we do not cover;
- 1.2. for any time during which your business would not or could not have been carried on if the **breakdown** had not occurred;
- 1.3. resulting from your failure to use due diligence and dispatch any all reasonable means in order to resume business after a **breakdown**;
- 1.4. incurred after the time that your business would have been resumed but could not because of a suspension, lapse, or cancellation of any lease, license or order following a **breakdown**.

SPECIAL PROVISIONS

1. AMOUNT OF INSURANCE

The limit of our liability hereunder shall in no event exceed the percentage(s) for the **period of restoration** stated in the Declaration Page(s).

Our liability under this Endorsement, on account of **any one breakdown**, shall not exceed the Amount of Insurance stated in the Declaration Page(s) for this Endorsement as Amount of Insurance. The Amount of Insurance shall apply irrespective of any other Amount of Insurance specified.

In the event that **extra expense**, incurred by the Insured during the longest **period of restoration** for which provision is made, does not exhaust the insurance hereby provided, then such unexhausted insurance shall apply for the remainder of the **period of restoration**.

If more than one Insured is named, we shall not be liable under this Endorsement for any payment in excess of that for which it would have been liable if only one Insured had been named.

2. INDEMNITY PERIOD

The **indemnity period**, with respect to this Endorsement, is not limited by the fact that the policy period has expired, should a loss extend beyond this date.

3. COMMENCEMENT OF LIABILITY AND WAITING PERIOD

3.1. If no waiting period is applicable to your coverage, our liability commences:

- 3.1.1. at the time of **breakdown**; or
 - 3.1.2. twenty-four (24) hours before the notice of **breakdown** is received by us;
- whichever is later.

3.2. If the time in effect at the address to which a notice is sent is different from that in effect at the Location where the **breakdown** occurred, the time of the receipt of such notice, for the determination of the Commencement of Liability, shall be considered on the basis of the time in effect where the **breakdown** occurred;

3.3. If a waiting period is stated in the Declaration Page(s), we are not liable for payment for business interruption during any period prior to the expiration of such waiting period, after such receipt by the Insurer of notice of **breakdown**.

4. DEDUCTIBLES

We are liable for: We are liable for any interruption of business caused by a **breakdown** to **equipment** after the waiting period, **average daily value** or deductible amount, whichever deductible is specified in the Declaration Page(s).

5. WAIVER OF TERM OR CONDITION

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

6. REDUCTION OF PAYMENT

As soon as possible after a **breakdown**, you must continue or resume business, in whole or in part, and utilize every available means, including surplus machinery, duplicate parts, equipment, supplies and surplus or reserve stock, other premises or installations or any other means within reasonable limits, which may be owned, controlled or used by you, which might reduce the amount for which we would otherwise be liable under this Endorsement. We may take such means as will in our opinion reduce or avert prevention of business on the **premises**.

7. RESUMING BUSINESS AT A NEW LOCATION

If your business can be resumed, after the **breakdown**, at a location not insured, either by you or by others on your behalf, we will take it into account in the calculation of the amount of loss.

8. MULTIPLE LOCATIONS

If this coverage applies to several **premises** which each have their own clauses, amount of insurance, waiting period and deductible, we will apply separately the clauses in this Endorsement and of the basic policy to each **premise**.

Where the laws of Québec govern this Policy, the general conditions contained under form 240.0e, General Conditions, supersede the following special conditions in case of duplication:

9. OTHER INSURANCE

In the event of a **joint loss**:

- 9.1. We shall be liable under this Endorsement only for the proportion of said **joint loss** that the amount which would have been payable under this Endorsement on account of said **joint loss**, had no other insurance existed, bears to the combined total of the said amount and the amount which would have been payable under all other insurance on account of said **joint loss**, had there been no insurance under this Endorsement; but
- 9.2. In case the Policy or Policies affording such other insurance do not contain a clause similar to Clause 5. above, we shall be liable under this Endorsement only for the proportion of said **joint loss** that the amount insured under this Endorsement, applicable to said **joint loss**, bears to the whole Amount of Insurance, applicable to said **joint loss**.

10. VERIFICATION OF VALUES

We or our duly appointed representative shall be permitted at all reasonable times during the policy period, or within a year after termination or expiration, to examine the Insured's books, records and such policies as relate to any insurance provided in this Endorsement. Such examination shall not waive nor in any manner affect any of the terms or conditions of this Endorsement.

DEFINITIONS

Whenever used in this Endorsement:

1. **Annual turnover** means the **turnover** during the twelve (12) months immediately before the date of the **breakdown**;

To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the **breakdown** or which would have affected the business had the **breakdown** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **breakdown** would have been obtained during the relative period after the **breakdown**.

2. **Average daily value** means the amount applicable to any location obtained by dividing the sum of the estimated amount of **loss of profit** by the estimated number of working days during the **indemnity period**.
3. **Extra expense** means the additional cost to conduct your business during the **period of restoration** over and above the cost that normally would have been incurred to conduct the business during the same period had no **breakdown** occurred.

This additional cost may include the expense of obtaining and using other property or facilities of other concerns or other necessary emergency expenses.

Extra expense does not include:

- 3.1. loss of income;
- 3.2. **extra expense** in excess of that necessary to continue as nearly as practicable the **normal** conduct of your business; nor
- 3.3. for the cost of repairing or replacing any property that has been damaged or destroyed by a **breakdown**, except such loss incurred for the purpose of reducing the total amount of **extra expense**. In this case, this **extra expense** must not exceed the amount by which the total **extra expense** otherwise payable is reduced.

Any salvage value of substitute or temporary **equipment** or property remaining after resumption of **normal** operations is taken into consideration in the adjustment of any loss.

4. **Indemnity period** means the period beginning with the occurrence of the **breakdown** and ending no later than twelve (12) months thereafter, during which the results of the business shall be affected in consequence of the **breakdown**.

If the **indemnity period** is different than twelve (12) months, then the **annual turnover** shall be multiplied by the factor which proportionately reflects the different **indemnity period** as stated in the Declaration Page(s).

5. **Insured standing charges** means all standing charges are insured unless otherwise specified in the Declaration Page(s), in which case only those standing charges so specified are insured.

The following shall in no event be deemed to be standing charges:

- 5.1. Depreciation of stock;
- 5.2. Bad debts;
- 5.3. **Ordinary payroll**.

6. **Joint loss** means loss to which both this insurance and other insurance carried by the Insured apply.

7. **Loss of profit** means the sum produced by adding to the **net profit** the amount of the **insured standing charges** or if there is no **net profit** the amount of the **insured standing charges** less such a proportion of any net trading loss as the amount of the **insured standing charges** bears to all standing charges of the business.

8. **Net profit** means the net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the **premises** specified in the Declaration Page(s) after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

9. **Normal** means the condition that would have existed had no **breakdown** occurred.
10. **Ordinary payroll** means the entire payroll for all your employees, except salaries and wages to:
- 10.1. officers;
 - 10.2. executives;
 - 10.3. department managers;
 - 10.4. employees under contract; and
 - 10.5. other essential or important employees.
11. **Period of restoration** means the period following a **breakdown** used by you to resume **normal** commercial operation at the **premises**, with all reasonable means that you have to accelerate the resumption of business.
- This **period of restoration**:
- 11.1. begins at the time of the commencement of liability; and
 - 11.2. ends on the date when the damaged property at the described **premises** is repaired or replaced with due diligence and dispatch.
12. **Turnover** means the money paid or payable to you for goods sold and delivered and for services rendered in course of the business at the **premises**.

All other terms and conditions of the Policy to which this Endorsement applies remain unchanged.

EQUIPMENT BREAKDOWN ADVANTAGE – CONSEQUENTIAL DAMAGE

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases that appear in bold have special meaning as defined below or in the Form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Endorsement; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Equipment Breakdown Advantage Form and is subject to all terms, conditions, limitations and exclusions of such Form.

INSURING AGREEMENT

1. We agree that if the **specified property**, described in the Declaration Page(s), is damaged due to spoilage resulting solely from a **breakdown** to an **equipment**, in use or connected and ready for use, at a **premise** we will pay you, up to the Amount of Insurance stated in the Declaration Page(s):
 - 1.1. the amount of loss or damage on your **specified property**;
 - 1.2. the amount of loss or damage on **specified property** of others which you become obligated to pay by reason of your liability for such loss or damage;
 - 1.3. the amount of expense which is reasonable, incurred by you or us, to reduce or avert the loss or damage, but only to the extent that the total amount that otherwise would have been paid under coverages 1.1. and 1.2. above is thereby reduced.

EXCLUSIONS

This Endorsement does not cover any loss or damage:

1. resulting from types of breakdowns that we do not cover;
2. resulting from a **breakdown** or aggravation of a **breakdown** occurring when you omit or that you do not permit us to take necessary measures to protect the **specified property** against loss or damage;
3. greater than the **actual cash value** of the **specified property** that is damaged or destroyed.

SPECIAL PROVISIONS

1. AMOUNT OF INSURANCE

Our total liability under this Endorsement for loss from **any one breakdown** shall not exceed the Amount of Insurance stated in the Declaration Page(s) for this Endorsement. If more than one Insured is named, we shall not be liable under this Endorsement for any payment in excess of that for which it would have been liable if only one Insured had been named.

Our liability under this Endorsement shall not be limited by the expiration of this Policy.

2. COMMENCEMENT OF LIABILITY AND WAITING PERIOD

- 2.1. If no waiting period is applicable to your coverage, our liability commences:
 - 2.1.1. at the time of **breakdown**; or
 - 2.1.2. twenty-four (24) hours before the notice of **breakdown** is received by us;
whichever is later.
- 2.2. If the time in effect at the address to which a notice is sent is different from that in effect at the Location where the **breakdown** occurred, the time of the receipt of such notice, for the determination of the Commencement of Liability, shall be considered on the basis of the time in effect where the **breakdown** occurred;
- 2.3. If a waiting period is stated in the Declaration Page(s), we are not liable for payment for business interruption during any period prior to the expiration of such waiting period, after such receipt by us of notice of **breakdown**.

3. DEDUCTIBLES

For any loss or damage caused by **any one breakdown**, you shall bear that part of the loss corresponding to the applicable deductible specified in the Declaration Page(s).

4. CO-INSURANCE

If at the time of **breakdown**, the Amount of Insurance is less than the amount obtained by multiplying the **percentage of the total value** specified in the Declaration Page(s) to the **actual cash value** of the **specified property** stated in the Declaration Page(s), the amount that we will pay will be reduced in the same proportion.

5. WAIVER OF TERM OR CONDITION

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

6. REDUCTION OF PAYMENT

As soon as possible after a **breakdown**, you must continue or resume business, in whole or in part, and utilize every available means, including surplus machinery, duplicate parts, equipment, supplies and surplus or reserve stock, other premises or installations or any other means within reasonable limits, which may be owned, controlled or used by you, which might reduce the amount for which we would otherwise be liable under this Endorsement. We may take such means as will in our opinion reduce or avert prevention of business on the **premises**.

7. RESUMING BUSINESS AT A NEW LOCATION

If your business can be resumed, after the **breakdown**, at a location not insured, either by you or by others on your behalf, we will take it into account in the calculation of the amount of loss.

8. MULTIPLE LOCATIONS

If this coverage applies to several **premises** which each have their own clauses, amount of insurance, waiting period and deductible, we will apply separately the clauses in this Endorsement and of the basic policy to each **premise**.

Where the laws of Québec govern this Policy, the general conditions contained under Form 240.0e, General Conditions, supersede the following special conditions in case of duplication:

9. OTHER INSURANCE

In the event of a **joint loss**:

- 9.1. We shall be liable under this Endorsement only for the proportion of said **joint loss** that the amount which would have been payable under this Endorsement on account of said **joint loss**, had no other insurance existed, bears to the combined total of the said amount and the amount which would have been payable under all other insurance on account of said **joint loss**, had there been no insurance under this Endorsement; but
- 9.2. In case the Policy or Policies affording such other insurance do not contain a clause similar to Clause 5. above, we shall be liable under this Endorsement only for the proportion of said **joint loss** that the amount insured under this Endorsement, applicable to said **joint loss**, bears to the whole Amount of Insurance, applicable to said **joint loss**.

DEFINITIONS

Whenever used in this Endorsement:

1. **Actual cash value** means the value of all **specified property** at the time of a **breakdown**, less depreciation, however caused.
2. **Joint loss** means loss to which both this insurance and other insurance carried by the Insured apply.
3. **Percentage of total value** means the percentage specified in the Declaration Page(s) and refers to the proportion between your Amount of Insurance specified in the Declaration Page(s) and the **actual cash value** of the **specified property**.
4. **Specified property** means property specifically described in the Declaration Page(s), or in any Schedules or Endorsements as may be attached to the Policy.

All other terms and conditions of the Policy to which this Endorsement applies remain unchanged.

VIRUS AND BACTERIA EXCLUSION ENDORSEMENT

This Endorsement Changes the Policy. Please Read It Carefully.

Words and phrases in bold font or quotation marks have special meaning as defined below or in the Form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this endorsement. These titles have only been inserted for ease of reading.

This endorsement is attached to and modifies all commercial property coverage forms and endorsements in the policy, including but not limited to any of the following:

PROPERTY COVERAGE, including but not limited to Building and/or Contents Broad Form, Commercial Building and Contents Named Perils Form, Farm Outbuildings and Contents Broad Form and Farm Outbuildings and Contents Named Perils Form, as specified in the Declaration Page(s) for each Location;

BUSINESS INTERRUPTION COVERAGE, including but not limited to Profits, Profits Actual Loss Sustained, Gross Earnings, Gross Rentals, Rental Income and Contingent Business Interruption, as specified in the Declaration Page(s) for each Location;

BUILDERS RISK COVERAGE, as specified in the Declaration Page(s) for each Location;

EQUIPMENT BREAKDOWN COVERAGE, as specified in the Declaration Page(s) for each Location;

MISCELLANEOUS OR OTHER PROPERTY COVERAGE, including but not limited to Contractors Equipment Actual Cash Value Form and Farm Equipment Broad Form, as specified in the Declaration Page(s);

ANY EXTENSIONS, CLAUSES OR ADDITIONS OF COVERAGE to such a base Property, Business Interruption, Builders Risk, Equipment Breakdown, Miscellaneous Form or other form, including exceptions to exclusions.

The following paragraphs are added to the Forms:

- 1.1. This Form does not insure against loss or damage caused directly or indirectly, in whole or in part, by any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.
- 1.2. The exclusion in paragraph 1.1. does not apply to loss or damage caused directly or indirectly, in whole or in part, by **fungi** or **spores** directly caused by an insured peril not otherwise excluded under the policy, but only to the extent such loss or damage is insured under another Form in the policy.
- 1.3. With respect to any loss or damage subject to the exclusion in paragraph 1.1., such exclusion supersedes any exclusion relating to pollution, **pollutants** or **hazardous substance**.
- 1.4. The terms of the exclusion in paragraph 1.1., or the inapplicability of this exclusion to a particular loss, do not serve to create coverage that would not otherwise be included under the policy.

All other terms and conditions of this policy remain unchanged.

CYBER INCIDENT EXCLUSION

This Endorsement Changes the Policy. Please Read It Carefully.

Words and phrases in bold font or quotation marks have special meaning as defined below or in the Form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this endorsement. These titles have only been inserted for ease of reading.

This endorsement is attached to and modifies commercial property coverage forms and endorsements in the policy, including but not limited to any of the following:

PROPERTY COVERAGE, including but not limited to Building and/or Contents Broad Form, Commercial Building and Contents Named Perils Form, Farm Outbuildings and Contents Broad Form and Farm Outbuildings and Contents Named Perils Form, as specified in the Declaration Page(s) for each Location;

BUSINESS INTERRUPTION COVERAGE, including but not limited to Profits, Profits Actual Loss Sustained, Gross Earnings, Gross Rentals, Rental Income and Contingent Business Interruption, as specified in the Declaration Page(s) for each Location;

BUILDERS RISK COVERAGE, as specified in the Declaration Page(s) for each Location;

EQUIPMENT BREAKDOWN COVERAGE, as specified in the Declaration Page(s) for each Location;

MISCELLANEOUS OR OTHER PROPERTY COVERAGE, including but not limited to Contractors Equipment Actual Cash Value Form and Farm Equipment Broad Form, as specified in the Declaration Page(s);

EXTENSIONS, CLAUSES OR ADDITIONS OF COVERAGE to such a base Property, Business Interruption, Builders Risk, Equipment Breakdown, Miscellaneous Form or other form, including exceptions to exclusions.

The following exclusion is added to the EXCLUSIONS Section of the Forms:

1. EXCLUSION

This Form does not insure against loss or damage caused directly or indirectly by a **cyber incident**.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

2. EXCEPTIONS AND LIMITATIONS

2.1. Fire or Explosion

If a **cyber incident** results in fire or explosion, the Insurer will pay for the loss or damage to insured property caused by that resulting fire or explosion.

2.2. Privacy Breach Expense Endorsement

Paragraph 1. does not apply to the Privacy Breach Expense Endorsement when such Endorsement is attached to the policy.

3. VANDALISM AND MALICIOUS ACTS

For purposes of this endorsement, vandalism and **malicious acts** do not include a **cyber incident**.

4. DEFINITIONS

For purposes of this endorsement, the following definitions are added to the Definitions Sections:

4.1. **Computer System** means any computer, hardware, media, electronic or digital **data**, software, communications or networking system, electronic device (including but not limited to smart phones, laptops, tablets, wearable devices), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, **data** storage device, networking equipment or back-up facility.

4.2. **Cyber Incident** means:

4.2.1. Unauthorized access to or use of any **computer system**;

4.2.2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any **computer system** and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any **computer system** or otherwise disrupt its normal functioning or operation; or

4.2.3. Denial of service attack which disrupts, prevents or restricts access to or use of any **computer system**, or otherwise disrupts its normal functioning or operation.

All other terms, conditions and limitations of the policy shall remain unchanged.

GENERAL CONDITIONS – ONTARIO – ATLANTIC REGION

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Throughout this Form the word "Insured" refers to the Named Insured shown in the Declaration Page(s). The word "Insurer" refers to the company providing this insurance.

Other words and phrases that appear in bold have special meaning. Refer to either this Form or to the DEFINITIONS of Liability Coverage forms or the Property Coverage forms attached to this Policy.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

The following Conditions, as modified or supplemented by the attached forms or endorsements, apply to all perils insured by this Policy under a Property Coverage form (including fire) or a Liability Coverage. If any portion of these conditions are found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

The following General Conditions are only applicable to the provinces of Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

SECTION I – PROPERTY COVERAGE STATUTORY CONDITIONS

1. MISREPRESENTATION

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

2. PROPERTY OF OTHERS

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 in such property is stated in the contract.

3. CHANGE OF INTEREST

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

4. MATERIAL CHANGE

Any change material to the risk and within the control and knowledge of the Insured voids the contract as to the part affected by the change, unless the change is promptly notified in writing to the Insurer or its local agent. The Insurer, when so notified, may return the unearned portion, if any, of the premium paid and cancel the contract. Alternatively, the Insurer may notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within fifteen (15) days of the receipt of the notice, pay to the Insurer an additional premium. In default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

5. TERMINATION

- 5.1. This contract may be terminated,
 - 5.1.1. by the Insurer giving to the Insured written notice of termination at least:
 - 5.1.1.1. five (5) days before the effective date of termination if personally delivered;
 - 5.1.1.2. fifteen (15) days before the effective date of termination if the contract is terminated by registered mail for nonpayment of premium; or
 - 5.1.1.3. thirty (30) days before the effective date of termination if the contract is terminated by registered mail for any other reason.
 - 5.1.2. by the Insured at any time on request.
- 5.2. When this contract is terminated by the Insurer,
 - 5.2.1. the Insurer shall refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time, subject to any minimum retained premium specified; and
 - 5.2.2. the refund shall accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
- 5.3. When this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- 5.4. The refund may be made by money, postal or express company money order or cheque payable at par.
- 5.5. The fifteen (15) and thirty (30) days mentioned in clauses 5.1.1.2. and 5.1.1.3. of this condition commence to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Special condition applicable to Condominium Corporations:

In those jurisdictions where provincial legislation under which the **Condominium Corporation** is constituted prescribes different policy termination conditions from those contained in the Statutory Conditions or General Conditions of this Policy as the case may be, such prescribed conditions shall apply.

6. REQUIREMENTS AFTER LOSS

- 6.1. Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
 - 6.1.1. immediately give notice of the loss or damage in writing to the Insurer;
 - 6.1.2. deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
 - 6.1.2.1. giving a complete inventory of the lost or damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
 - 6.1.2.2. 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,
 - 6.1.2.3. stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured,
 - 6.1.2.4. showing the amount of other insurances and the names of other Insurers,
 - 6.1.2.5. showing the interest of the Insured and of all others in the property with particulars of all mortgages, liens, encumbrances and other charges upon the property,
 - 6.1.2.6. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,

6.1.2.7. showing the place where the insured property was located at the time of loss or damage;

6.1.3. if required, give a complete inventory of undamaged property, showing in detail quantities, cost, actual cash value;

6.1.4. if required and if practicable, produce accounts, warehouse receipts, stock lists, invoices and other pertinent records, verified by statutory declaration, as well as any relevant contracts or agreements with others.

6.2. The evidence furnished under clauses 6.1.3. and 6.1.4. of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. FRAUD

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.

8. WHO MAY GIVE NOTICE AND PROOF

In case of absence or inability of the Insured to give notice of loss or make proof of loss, notice of loss may be given and proof of loss may be made by the agent of the Insured. If the Insured fails to give notice immediately, the notice of loss may be given and the proof of loss may be made by a person to whom any part of the insurance money is payable.

9. SALVAGE

9.1. The Insured, in the event of any loss or damage to any insured property, shall take all reasonable steps to prevent further damage to such property and to prevent damage to other insured property, including, if necessary, removal to a secure location.

9.2. The Insurer shall contribute proportionately, according to the respective interests of the parties, towards any reasonable and proper expenses in connection with steps taken by the Insured and required under subsection 9.1. of this condition.

10. ENTRY, CONTROL, ABANDONMENT

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. After the Insured has secured the property, the Insurer has a further right of access and entry sufficient to enable its agents to make appraisal or particular estimate of the loss or damage. The Insurer is not entitled to the control or possession of the insured property. There can be no abandonment of insured property to the Insurer without the Insurer's consent.

11. APPRAISAL

In the event of disagreement as to the value of the insured property or the value of 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 for one is made in writing and until proof of loss has been delivered.

12. WHEN LOSS PAYABLE

The loss is payable within sixty (60) days after completion of the proof of loss, unless the contract provides for a shorter period.

13. REPLACEMENT

13.1. The Insurer, instead of making payment, may repair, rebuild, or replace the property lost or damaged, giving written notice of its intention to do so within thirty (30) days after receipt of the proof of loss.

13.2. In that event, the Insurer shall commence to repair, rebuild, or replace the property within forty-five (45) days after receipt of the proof of loss, and shall proceed with all due diligence to completion of the work.

14. ACTION

Every action or proceeding against the Insurer for the recovery of any claim shall be absolutely barred unless commenced within one (1) year after the loss or damage occurs.

15. NOTICE

Any written notice to the Insurer may be sent by **registered** mail or delivered to the chief agency or any office of the Insurer in Canada. Written notice may be given to the Insured by letter personally delivered to the Insured or by **registered** mail addressed to the Insured at the Insured's latest post office address as notified to the Insurer. In this condition, the expression **registered** means registered in or outside Canada.

ADDITIONAL CONDITIONS (Property Coverage)

1. 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.

2. 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.

3. BASIS OF SETTLEMENT

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

4. SUBROGATION

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

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

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

Special condition applicable to Condominium Corporations

Except with respect to criminal act or intentional acts or vehicle impact, the Insurer agrees with the Insured to waive its right of subrogation as to any claim against:

- the **Condominium Corporation**, its Directors, Property Managers, agents and employees; and
- the owner of a unit and, if residents of the household of the owner of a unit, his or her **spouse**, the relatives of either and any other person under the age of 21 in the care of an owner of a unit or his or her spouse. **Spouse** means a person who is married to or has entered into a civil union with another person of the opposite or the same sex and is living with that person for at least three years or for at least one year if a child was born or adopted of their union.

Independent contractors shall not be considered agents or employees of the **Condominium Corporation**, its Directors, Property Managers, or of the unit owners.

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

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

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

5. EXAMINATION UNDER OATH

In the event of loss or damage to the insured property, the Insured shall submit to examination under oath or warrant to the truth and shall produce all documents required by the Insurer and shall permit copies thereof to be made.

6. CANADIAN CURRENCY CLAUSE

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

7. CONTRIBUTION

If, on the happening of any loss or damage to property in consequences of which a claim is or may be made under this Policy, there is in force more than one contract covering the same interest, the liability of the Insurer under this Policy shall be limited to its proportionate share of such claim.

8. VERIFICATION OF VALUES

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

9. BREACH OF CONDITION

9.1. If the Insured does not comply with a condition of this insurance, any claim for subsequent loss or damage is not recoverable.

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

9.2. Special condition applicable to Condominium Corporations:

Where a loss occurs and there has been a breach of condition relating to a matter before the happening of the loss, which breach would otherwise disentitle the Insured from recovery under this Policy, the breach shall not disentitle the Insured from recovery if the Insured establishes that the loss was not caused or contributed to by the breach of condition.

It is further agreed that this insurance shall not be prejudiced by:

9.2.1. any act or neglect of any occupants or owners of the **building** or any part thereof when such act or neglect is not within the control of the **Condominium Corporation**, or

9.2.2. failure of the **Condominium Corporation** to comply with any warranty or condition herein with regard to any portion of the **premises** over which the **Condominium Corporation** has no control.

10. REINSTATEMENT

Unless specified otherwise in this Policy, losses hereunder shall not reduce the amount of insurance of this Policy.

11. LOSS PAYABLE

Special clause applicable to Condominium Corporations

Loss, if any, shall be payable in accordance with the provisions of the provincial legislation under which the **Condominium Corporation** is constituted. If the legislation has no such provisions, loss, if any, shall be payable as stated on the Declaration Page(s).

12. PROPERTY OF OTHERS – CONDOMINIUMS

Special condition applicable to Condominium Corporations

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

GENERAL INSURING AGREEMENT APPLICABLE TO THIS POLICY

1. In consideration of the premium specified and the statements contained in the Declaration Page(s) and the conditions, stipulations and declarations contained in the Forms and Endorsements, the Insurer agrees to insure the Insured named in the Declaration Page(s) to the extent provided by the Forms and Endorsements for the policy period.

By 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 in the Declaration Page(s) as replaced.

2. TERMINATION

Notwithstanding anything contained to the contrary in the Conditions specifically applying to each section of this Policy, the Termination condition of the Commercial Property Policy Conditions of this Policy may at the Insurer's option be applied to the contract entirely.

3. DEFINITION

Wherever the word "policy", "contract" (meaning the insurance contract) or "insurance" (meaning the insurance contract) is used in the Conditions applicable to this Policy or in the Forms and Endorsements forming part thereof, such word shall be held to apply only to the specific cover provided by that Section and by the Forms and Endorsements forming part thereof.

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

PROVIDED ALWAYS that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO THE MORTGAGEE'S 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** – 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** – If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee – at law or in equity – then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.
- WHO MAY GIVE PROOF OF LOSS** – In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
- TERMINATION** – The term of this Mortgage Clause coincides with the term of the policy; Provided always that the Insurer reserves the right to cancel the policy as provided by Statutory 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** – 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 THE 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.

CLAUSE TYPE RELATIVE AUX GARANTIES HYPOTHÉCAIRES

(Approuvée par le Bureau d'Assurance du Canada)

- VIOLATIONS DU CONTRAT** – Ne sont pas opposables aux créanciers hypothécaires les actes, négligences ou déclarations des propriétaires, locataires ou occupants des biens assurés, notamment en ce qui concerne les transferts d'intérêts, la vacance ou l'inoccupation, ou l'affectation des lieux à des fins plus dangereuses que celles déclarées.

Les créanciers hypothécaires sont tenus d'aviser l'Assureur (si ce dernier leur est connu) dès qu'ils sont au courant de toute inoccupation ou vacance de plus de trente jours consécutifs, de tout changement dans les droits de propriété ou de toute aggravation du risque, à charge pour eux d'acquitter, sur demande raisonnable, les surprime afférentes aux aggravations dépassant les normes d'acceptation fixées pour le présent contrat et cela au tarif établi à cet égard et pour la durée du contrat restant à courir à compter du début des aggravations en question.

- SUBROGATION** – À concurrence des indemnités versées par lui aux créanciers hypothécaires, l'Assureur est subrogé dans les droits de ces derniers contre les débiteurs ou propriétaires auxquels il se croit justifié d'opposer un motif de non-garantie, les créanciers hypothécaires n'en demeurant pas moins en droit de recouvrer le solde de leurs créances avant que la subrogation ci-dessus puisse être exercée. L'Assureur se réserve cependant le droit d'acquitter les créances intégralement, auquel cas il a droit au transfert de celles-ci et de toutes les sûretés les garantissant.
- PLURALITÉ D'ASSURANCES** – Si d'autres assurances sont, à quelque titre que ce soit, acquises aux créanciers hypothécaires, les indemnités qu'ils peuvent en recevoir doivent être prises en ligne de compte pour la détermination des sommes qui leur sont payables.
- PRÉSENTATION DES DEMANDES D'INDEMNITÉ** – En cas d'absence ou incapacité de l'Assuré, ou s'il refuse ou néglige de présenter les déclarations de sinistre ou formulaires de demandes d'indemnité exigées par le contrat, ces déclarations peuvent en être faites par les créanciers hypothécaires dès qu'ils sont au courant des sinistres, les formulaires de demande devant dès lors être produits par eux dans les meilleurs délais.
- CESSATION** – Les effets de la présente clause prennent fin en même temps que le contrat, sous réserve des droits de résiliation dont l'Assureur peut se prévaloir aux termes de ce dernier, et à charge pour l'Assureur de se conformer aux dispositions de l'article 5 des Conditions légales, et de donner aux créanciers hypothécaires le préavis exigé de toute résiliation ou modification pouvant leur causer préjudice.
- SAISIE** – Si les créanciers hypothécaires ou leurs ayants droit acquièrent, par saisie ou autrement, les titres ou les droits de propriété des biens assurés, ils ont droit dès lors au bénéfice de la présente assurance tant qu'elle demeure en vigueur.

Aux conditions ci-dessus (lesquelles doivent par ailleurs prévaloir en ce qui concerne les intérêts des créanciers hypothécaires contre toutes celles du contrat en conflit avec elles), les sinistres sont payables directement aux créanciers hypothécaires ou à leurs ayants droit.

Cancellation Agreement

This is to certify that the undersigned insured and other interested parties, where applicable, named in this Policy acknowledge the termination of the insurance coverage provided under this Policy effective _____ 20 ____ at 12:01 a.m. Standard Time at the postal address of the named insured.

Signature of Insured: _____

Résiliation

Ceci est pour attester que l'assuré, et la personne ayant droit à toute partie du montant de garantie où applicable, nommé, dans le contrat accuse réception que le présent contrat est résilié à partir de _____ 20 ____ à 0h 01 heure normale à l'adresse du proposant.

Signature de l'Assuré: _____

SECTION II – LIABILITY CONDITIONS

If similar liability conditions are contained in the liability forms forming part of this Policy, those conditions prevail over the following provisions.

1. BANKRUPTCY

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve the Insurer of the Insurer's obligation under this Policy.

2. CANADIAN CURRENCY CLAUSE

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

3. CHANGES

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

4. DUTIES IN THE EVENT OF OCCURRENCE, OFFENCE, CLAIM OR ACTION

- 4.1. The Named Insured must see to it that the Insurer is notified as soon as practicable of an **occurrence** or an offence which may result in a claim. To the extent possible, notice should include:
 - 4.1.1. How, when and where the **occurrence** or offence took place;
 - 4.1.2. The names and addresses of any injured persons and witnesses; and
 - 4.1.3. The nature and location of any injury or damage arising out of the **occurrence** or offence.
- 4.2. If a claim is made or **action** is brought against any Insured, the Named Insured must:
 - 4.2.1. Immediately record the specifics of the claim or **action** and the date received; and
 - 4.2.2. Notify the Insurer as soon as practicable.The Named Insured must see to it that the Insurer receives written notice of the claim or **action** as soon as practicable.
- 4.3. The Named Insured and any other involved Insured must:
 - 4.3.1. Immediately send the Insurer copies of any demands, notices, summonses or legal papers received in connection with the claim or **action**;
 - 4.3.2. Authorize the Insurer to obtain records and other information;
 - 4.3.3. Cooperate with the Insurer in the investigation or settlement of the claim or defence against the **action**; and
 - 4.3.4. Assist the Insurer, upon the Insurer's request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.
- 4.4. No Insured will, except at that Insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Insurer's consent.

5. EXAMINATION OF THE NAMED INSURED'S BOOKS AND RECORDS

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

6. INSPECTIONS AND SURVEYS

- 6.1. The Insurer has the right to:
 - 6.1.1. Make inspections and surveys at any time;
 - 6.1.2. Give the Named Insured reports on the conditions the Insurer finds; and
 - 6.1.3. Recommend changes.
- 6.2. The Insurer is not obligated to make any inspections, surveys, reports or recommendations and any such actions the Insurer does undertake relate only to insurability and the premiums to be charged. The Insurer does not make safety inspections. The Insurer does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And the Insurer does not warrant that conditions:
 - 6.2.1. Are safe or healthful; or
 - 6.2.2. Comply with laws, regulations, codes or standards.
- 6.3. Sub-paragraphs 6.1. and 6.2. of this condition apply not only to the Insurer, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
- 6.4. Sub-paragraph 6.2. of this condition does not apply to any inspections, surveys, reports or recommendations the Insurer may make relative to certification, under provincial or municipal statutes, ordinances, by-laws or regulations, of boilers, pressure vessels or elevators.

7. LEGAL ACTION AGAINST THE INSURER

No person or organization has a right under this Policy:

- 7.1. To join the Insurer as a party or otherwise bring the Insurer into an **action** asking for **compensatory damages** from an Insured; or
- 7.2. To sue the Insurer on this Policy unless all of its terms have been fully complied with.

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

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

8. OTHER INSURANCE

If other valid and collectible insurance is available to the Insured for a loss the Insurer covers by this Policy, the Insurer's obligations are limited as follows:

- 8.1. Primary Insurance
This insurance is primary except when sub-paragraph 8.2. below applies. If this insurance is primary, the Insurer's obligations are not affected unless any of the other insurance is also primary. Then, the Insurer will share with all that other insurance by the method described in sub-paragraph 8.3. below.
- 8.2. Excess Insurance
This insurance is excess over:
 - 8.2.1. any of the other insurance, whether primary, excess, contingent or on any other basis:
 - 8.2.1.1. that is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for **your work**;
 - 8.2.1.2. that is Fire insurance for premises rented to the Named Insured or temporarily occupied by the Named Insured with permission of the owner;
 - 8.2.1.3. If the loss arises out of the maintenance or use of watercraft or **automobile** not otherwise excluded under this Policy.

8.2.2. any other primary insurance available to the Named Insured covering liability for **compensatory damages** arising out of the premises or operations or **products-completed operations hazard** for which the Named Insured has been added as an additional insured by attachment of an Endorsement.

8.2.3. Excess Insurance (Claims Made Form)

If this Policy provides claims-made coverage, 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 Declaration Page(s) of this insurance and applies to **bodily injury, property damage, personal injury or advertising injury** on other than a claims-made basis.

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

When this insurance is excess over other insurance, the Insurer will pay only the Insured's share of the amount of the loss, if any, that exceeds the sum of:

8.2.4. the total amount that all such other insurance would pay for the loss in the absence of this insurance; and

8.2.5. the total of all deductible and self-insured amounts under all that other insurance.

The Insurer will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declaration Page(s) of this Policy.

8.3. Method of Sharing

If all of the other insurance permits contribution by equal shares, the Insurer will follow this method also. Under this approach each insurer contributes equal amounts until 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, the Insurer will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

9. PREMIUM AUDIT

9.1. The Insurer will compute all premiums for this Policy in accordance with the Insurer's rules and rates.

9.2. Premium shown in this Policy as advance premium is a deposit premium only. At the close of each audit period the Insurer will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the **policy period** is greater than the earned premium, the Insurer will return the excess to the first Named Insured subject to the retention of the minimum retained premium shown in the Declaration Page(s) of this Policy.

9.3. The first Named Insured must keep records of the information the Insurer needs for premium computation, and send the Insurer copies at such times as the Insurer may request.

10. PREMIUMS

The first Named Insured shown in the Declaration Page(s):

10.1. Is responsible for the payment of all premiums; and

10.2. Will be the payee for any return premiums the Insurer pays.

11. REPRESENTATIONS

By accepting this Policy, the Named Insured agrees:

11.1. The statements in the Declaration Page(s) are accurate and complete;

11.2. Those statements are based upon representations the Named Insured made to the Insurer; and

11.3. The Insurer has issued this Policy in reliance upon the Named Insured's representations.

12. SEPARATION OF INSUREDS, CROSS LIABILITY

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

12.1. As if each Named Insured were the only Named Insured; and

12.2. Separately to each Insured against whom claim is made or **action** is brought.

13. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO THE INSURER

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

14. TRANSFER OF THE NAMED INSURED'S RIGHTS AND DUTIES UNDER THIS POLICY

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

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

15. PROVISIONAL PREMIUM

If the premium shown in this Policy is a provisional premium, the Insurer will, at the end of each audit period, compute the earned premium for that period. Audit premiums are due and payable on notice to the Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, the Insurer will return the excess to the Named Insured subject to the retention of the minimum premium shown in the Declarations of this Policy.

16. TERMINATION

16.1. The first Named Insured shown in the Declaration Page(s) may terminate this Policy by mailing or delivering to the Insurer advance written notice of termination.

16.2. The Insurer may terminate this Policy by mailing or delivering to the first Named Insured written notice of termination at least:

16.2.1. Five (5) days before the effective date of termination if personally delivered;

16.2.2. Fifteen (15) days before the effective date of termination if the Insurer terminates for non-payment of premium; or

16.2.3. Thirty (30) days before the effective date of termination if the Insurer terminates for any other reason.

16.3. The Insurer will mail or deliver the notice to the first Named Insured's last mailing address known to the Insurer.

16.4. The policy period will end on the date termination takes effect.

16.5. If this Policy is terminated, the Insurer will send the first Named Insured any premium refund due. If the Insurer terminates, the refund will be pro rata. If the first Named Insured terminates, the refund may be less than pro rata. The termination will be effective even if the Insurer has not made or offered a refund. If the premium is provisional, a premium audit will take place as per Paragraph 15. **PROVISIONAL PREMIUM.**

ADDITIONAL CONDITIONS APPLICABLE ONLY TO THE COMMERCIAL UMBRELLA LIABILITY POLICY AND COMMERCIAL EXCESS LIABILITY POLICY

1. ASSIGNMENT

Assignment of interest under this Form will not bind the Insurer until its consent is evidenced by an endorsement to this Form. If, however, the Named Insured will die or be adjudged bankrupt or insolvent, this insurance, unless cancelled, will cover the Insured's legal representative as the Named Insured for the unexpired portion of such period, but only while acting within the scope of his or her duties as such.

2. SUBROGATION

- 2.1. In as much as insurance under this Form is excess coverage, an Insured's right of recovery against any person or other entity cannot be exclusively subrogated to the Insurer. In case of any payment hereunder, the Insurer will act in concert with all other interests (including the Insured) concerned, in the exercise of such rights of recovery.
- 2.2. The apportioning of any amounts which may be so recovered will follow the principle that any interests (including the Insured) that will have paid any amount over and above any payment hereunder, will first be reimbursed up to the amount paid by them; the Insurer is then to be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the Insured) of whom this coverage is in excess are entitled to claim the residue, if any, but a different apportionment may be made to effect settlement of a claim by agreement signed by all interests.
- 2.3. Expenses necessary to the recovery of any such amounts will be apportioned between the interests (including the Insured) concerned, in the ratio of their respective recoveries as finally settled.

ADDITIONAL CONDITION APPLICABLE TO BOTH LIABILITY AND PROPERTY

1. TRADE AND ECONOMIC SANCTIONS

The Insurer shall not provide any coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any **Prohibition**.

For the purposes of this Clause:

1. **Prohibition** means any prohibition or restriction imposed by law or regulation including but not limited to:

- 1.1. trade and/or economic sanctions laws and/or regulations of Canada, the United Kingdom, or any other jurisdiction or authority relevant to the parties; and
- 1.2. any activities that would be subject to a license requirement under those laws and/or regulations in respect of transit and/or export control, unless such license has been obtained prior to the activity commencing and the Insurer has approved the provision of insurance for the activity.

All other terms and conditions of the Policy remain unchanged.