

**Composite Package Policy
Declaration Pages
Policy 5N1222MZR**



*Intact Insurance Company
1200, 321 - 6th Avenue S.W.
Calgary, AB T2P 4W7*

Insured name and postal address

Signant Two Holdings Ltd. c/o Sheila Tousignant
198 VALLEY GLEN Heights NW
CALGARY, AB T3B 5P9

Broker 19458

Western General Insurance
340 Midpark Way South East Unit 160 Calgary,
Alberta
T2X 1P1
Phone No. 403 531 2797

General Information

Intact Insurance Company hereinafter called the Insurer.

Type of Document	NEW BUSINESS		
Policy Period	From May 2, 2024 To May 2, 2025 12:01 A.M. local time at the postal address of the Insured shown above		
Insured's Business Operations	Owner Occupied Seasonal		
Billing Method	Agency Bill		
Total Policy Premium		\$1,850	

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 391 Shorts Road
KELOWNA, BC V1Z 3T9

Occupancy Owner Occupied Seasonal

Coverage	Form	Coinsurance %	Deductible \$	Limit of Insurance \$
Flood Extension	E023-3		25,000	
Replacement Cost Endorsement - Building and/or Contents - Broad Form Valuation: Replacement Cost	E040-2			
Sewer Back Up Endorsement	E042-2		5,000	
Data Exclusion Endorsement	E074-2			
Terrorism Exclusion	E077-2			
Fungi and Fungal Derivatives Exclusion	E078-1			
Illegal Substances Activity Exclusion Endorsement	E079-3			
Seasonal Occupancy Clause	E123-1			
General Deductible	G001-1			
Commercial Building and Contents - Named Perils Form	NP02-1			
Building Valuation: Replacement Cost		90		
Item Description				
01 Main building			1,000	355,900
02 Boat Garage			1,000	35,000
03 Dock			1,000	31,100
Contents Valuation: Actual Cash Value		90	1,000	50,000
NP02 - Seasonal Vacancy Permit Endorsement	GE0001			

General Liability

Coverage	Form	Deductible \$	Limit of Insurance \$
Owners', Landlords' & Tenants' Liability	LR05-1		
Aggregate Limit - Coverage A, B and C			2,000,000
Coverage A - Bodily Injury and Property Damage Liability - Each Occurrence			2,000,000
Coverage A - Property Damage Deductible - Each Occurrence		2,500	
Coverage B - Personal Injury and Advertising Injury Liability - Per Person or Organization			2,000,000
Coverage C - Medical Payments - Each Person			50,000
Coverage D - Tenants' Legal Liability - Any One Premises		2,500	250,000
Amended Deductible Endorsement - Bodily Injury and Property Damage Combined	O100-1	2,500	

Rating Information(s)

Premises, Property and Operations	Rating Base
Owner Occupied Seasonal	Flat premium

Additional Conditions

Form

Virus and Bacteria Exclusion Endorsement E199-1

Cyber Incident Exclusion Endorsement E201-1

Emergency number

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

1 866 464 2424

NP02 - Seasonal Vacancy Permit Endorsement

This Endorsement Changes the Policy. Please Read It Carefully.

Certain 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 Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to Form NP02, Commercial Building and Contents Named Perils Form and is subject to all terms, conditions, limitations and exclusions of such Form.

Notwithstanding sub-paragraph (a) under paragraph A. EXCLUDED PROPERTY in 6. EXCLUSIONS section of said form NP02:

Permission is granted for the "building(s)" described to be or become and remain vacant, unoccupied, or shut down during the normal non-operating season without notice to the Insurer. It is a condition precedent to this permission that the "building(s)" shall:

1. Have the doors and windows securely closed and locked.
2. Be clear of all rubbish within and around the "buildings(s)" and "premises".
3. Have the water supply to the building, other than the water supply to a working sprinkler system, must be shut off and the plumbing system and appliances drained of water and adequately protected from freezing during inclement weather conditions.

Failure of the Insured to comply with any or all of these warranties shall suspend the coverage until the Insured remedies the breach of these warranties.

All other terms and conditions of the policy remain unchanged.

our 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 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:

- serve you better and communicate effectively with you;
- verify your identity and property;
- assess and underwrite insurance risks;
- determine prices, fees and premiums;
- investigate and adjust insurance claims;
- settle or arrange for the settlement of insurance claims, including structured settlements;
- 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;
- conduct market research;
- recognize and deliver relevant ads to you on our and third party websites and apps;
- verify and provide information to and compile statistics for insurance industry databases;
- report to regulatory or industry entities consistent with prudent and legally required insurance industry practices, including claims history;
- detect, prevent and suppress fraud, unauthorized, or illegal activities;
- comply with all applicable laws, including tax requirements;
- share your information with third party service providers for external processing such as data or payment processing;
- 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
E-mail: 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 this website.

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

PROPERTY COVERAGE

FLOOD ENDORSEMENT

This endorsement changes the policy. Please read it carefully.

Certain words and phrases 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 form; these titles have only been inserted for ease of reading.

This endorsement applies to the Property Coverage of the policy and is subject to the terms, conditions, limitations and exclusions that are applicable to the Property Insurance Form to which this endorsement is attached.

This endorsement applies separately to each location for which Flood is specified on the Declaration Page(s).

1. INSURED PERIL

This insurance is extended to include **flood**.

2. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by **flood** exceeds the amount of the deductible specified on the Declaration Page(s) for this endorsement in any one **flood occurrence**.

This Deductible Clause applies separately to each **premises** or **project site** to which this endorsement applies.

3. EXCLUSIONS

This endorsement does not cover loss or damage caused directly or indirectly by any of the following perils, whether or not caused by or attributable to **flood**:

- 3.1. the backing up or overflow, within the area bounded by the bearing walls and foundations of the building described on the Declaration Page(s), of water from within sewers, sumps, septic tanks or drains;
- 3.2. water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or other openings in such sidewalks, driveways, foundations, walls or floors;
- 3.3. fire, explosion, smoke, **leakage from fire protective equipment**, theft, **riot**, vandalism or **malicious acts**;
- 3.4. leakage from a **water main**.

4. EXTENSION OF COVERAGE

The Insurer shall be liable for loss of or damage to the insured property caused by wind, hail, rain or snow entering a building through an opening in the roof or walls directly resulting from **flood**.

5. DEFINITIONS

- 5.1. **Flood** means the breaking out or overflow of any natural or artificial body of water and includes **surface water**, waves, tides, tidal waves and tsunamis.
- 5.2. **Flood occurrence** means all flooding which occurs within any 168 consecutive hours commencing during the policy period on or after the effective date of this endorsement. The expiration of this policy will not reduce the 168 hour period.
- 5.3. **Surface water** means water or natural precipitation temporarily diffused over the surface of the ground.

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

REPLACEMENT COST ENDORSEMENT - BUILDING AND/OR CONTENTS - BROAD FORM

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 Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under the following:

Building and/or Contents - Broad Form (BF02)

Commercial Building and Contents Named Perils Form (NP02)

This form applies only if **replacement cost** is indicated on the Declarations Page(s) as applying.

1. With respect to **building(s), equipment, and/or property of every description** at the **premises**, the value of the insured property shall be amended to **replacement cost** subject to the following:
 - 1.1. **replacement** shall be effected by the Insured with due diligence and dispatch;
 - 1.2. settlement on a **replacement cost** basis shall be made only when **replacement** has been effected by the Insured and in no event shall it exceed the amount actually and necessarily expended for such **replacement**;
 - 1.3. any other insurance effected by or on behalf of the Insured in respect of the insured perils under this policy on the property to which this endorsement is applicable shall be on the basis of **replacement cost**;
 - 1.4. failing compliance by the Insured with any of the above provisions, settlement shall be made as if this endorsement had not been in effect.
2. Any co-insurance calculation shall be based on a valuation of **replacement cost**.
3. In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that lost or damaged and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purposes of this endorsement.

4. EXCLUSIONS

This endorsement does not apply to:

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

DEFINITIONS

Wherever used in this Form:

1. **Replacement** includes repair, construction or re-construction with new property of like kind and quality; and
2. **Replacement cost** means whichever is the least of the cost of replacing, repairing, constructing or reconstructing the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

PROPERTY COVERAGE

SEWER BACK UP ENDORSEMENT

This endorsement changes the policy. Please read it carefully.

Certain words and phrases 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 form; these titles have only been inserted for ease of reading.

This endorsement applies to the Property Coverage of the policy and is subject to the terms, conditions, limitations and exclusions that are applicable to the Property Insurance Form to which this endorsement is attached.

This endorsement applies separately to each location for which Sewer Back Up is specified on the Declaration Page(s).

1. INSURED PERIL

This insurance is extended to include **sewer back up**.

2. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by **sewer back up** exceeds the amount of the deductible specified on the Declaration Page(s) for this endorsement in any occurrence.

This Deductible Clause applies separately to each **premises** to which this endorsement applies.

3. LIMIT OF INSURANCE

If an amount of insurance is specified on the Declaration Page(s) for this endorsement, the Insurer shall not be liable for more than that amount.

4. DEFINITION

Sewer back up means the backing up or overflow, within the area bounded by the bearing walls and foundations of the building described on the Declaration Page(s), of water from within sewers, sumps, septic tanks or drains.

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

DATA EXCLUSION ENDORSEMENT

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 Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under the Property and Miscellaneous Coverages as stated on the Declaration Page(s).

EXCLUDED PERIL

1. Data Exclusion

- 1.1. This Form does not insure **data**.
- 1.2. This Form does not insure loss or damage caused directly or indirectly by a **data problem**.

This exclusion (1.2) does not apply to loss or damage caused directly by resultant fire, explosion of natural, coal or manufactured gas, smoke, **leakage from fire protective equipment** or water damage caused by bursting of frozen pipes and tanks.

DEFINITIONS

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

Data problem means:

1. erasure, destruction, corruption, misappropriation, misinterpretation of **data**;
2. error in creating, amending, entering, deleting or using **data**; or
3. inability to receive, transmit or use **data**.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

TERRORISM EXCLUSION

Certain 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 Form; these titles have only been inserted for ease of reading.

This endorsement attaches to and forms part of the Property and Miscellaneous Coverages as stated on the Declaration(s) Page(s).

This form does not insure against increased costs, and loss or damage caused directly or indirectly, in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**.

This exclusion applies whether or not there are one or more 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.

DEFINITION

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

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

FUNGI AND FUNGAL DERIVATIVES EXCLUSION

This endorsement changes the policy. Please read it carefully.

Attached to and forming part of the Property and Miscellaneous Coverages as stated on the "Declaration page(s)".

This Form shall not insure:

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

Definitions:

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

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

ILLEGAL SUBSTANCES ACTIVITY EXCLUSION ENDORSEMENT

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 Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under the following forms:

COMMERCIAL PROPERTY

Building and/or Contents - Broad Form (BF02)

Commercial Building and Contents Named Perils Form (NP02)

FARM PROPERTY

Farmowners Rented Dwelling Form (800LF)

Rented Dwelling - Named Perils Form (724L-F)

Private Dwelling Fire and Extended Coverage Form (706E-L)

Farm Outbuildings and Contents Broad Form (6060F)

Farm Outbuildings and Contents Named Perils Form (6061F)

This form does not insure against loss or damage however caused which results, directly or indirectly, from any **illegal substance activity** regardless of the Insured being unaware or able to control such activity.

DEFINITIONS

Illegal substance means any substance that is not legal for you or any other party of interest, your employees or agents, tenants or any person to whom the Insured has entrusted the property insured, to possess, obtain, produce, provide, sell, traffic or use, and includes any controlled substance enumerated in the Schedule of the Controlled Drugs and Substances Act currently in force.

Illegal substance activity means any activity relating to the growing, cultivating, propagating or harvesting, manufacturing, distributing, storing or selling of any **illegal substance**.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.

SEASONAL OCCUPANCY CLAUSE

Permission is granted for the building described to be or become and remain vacant or unoccupied during the normal non-operating season without notice to this Office, this permission being subject to the conditions that during such period of vacancy or unoccupancy, all doors and windows shall be securely locked, the building will be completely winterized, and all rubbish removed from the building, otherwise the policy shall be null and void.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall 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 DEDUCTIBLE

In the event of a claim under any Broad Form or Named Perils Form in this policy caused by an insured peril, the Insurer shall be liable only for the amount by which the adjusted claim exceeds the deductible amount shown on the "Declaration Page(s)" for that Form.

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

The Insured expressly warrants that it will itself bear any loss to the extent of any applicable deductible amount, and warrants that it will not contract for insurance in respect of such deductible amount.

The term "adjusted claim" as used in this endorsement means the amount which would be payable to the Insured under the applicable item(s) of insurance provided by this policy in respect of direct loss or damage arising out of one occurrence before the application of any deductible amount.

This deductible does not operate to reduce any applicable limits of liability.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

OWNERS', LANDLORDS' & TENANTS' LIABILITY

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Throughout this Policy the words "you" and "your" refer to the Named Insured shown in the Declaration Page(s), and any other person or organization qualifying as a Named Insured under Paragraph 3. of Section II – Who Is An Insured. The words "we", "us" and "our" refer to the company providing this insurance.

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

Other words and phrases that appear in bold have special meaning. Refer to Section IV – Definitions.

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.

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

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

This insurance applies only when a Limit of Insurance - Each Occurrence is indicated in the Declaration Page(s).

1. INSURING AGREEMENT

- 1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **bodily injury** or **property damage** to which this insurance applies. We will have the right and duty to defend the Insured against any **action** seeking those **compensatory damages**. However, we will have no duty to defend the Insured against any **action** seeking **compensatory damages** for **bodily injury** or **property damage** to which this insurance does not apply. We may, at our discretion, investigate any **occurrence** and settle any claim or **action** that may result. But:
 - 1.1.1. The amount we will pay for **compensatory damages** is limited as described in Section III – Limits of Insurance and Deductibles; and
 - 1.1.2. Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical payments under Coverage C.No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.
- 1.2. This insurance applies to **bodily injury** and **property damage** only if:
 - 1.2.1. The **bodily injury** or **property damage** arises out of the ownership, occupancy or maintenance of the **insured premises** or the grounds and structures appurtenant to those **insured premises**.
 - 1.2.2. The **bodily injury** or **property damage** is caused by an **occurrence** that takes place in the **coverage territory**; and
 - 1.2.3. The **bodily injury** or **property damage** occurs during the **policy period**; and
 - 1.2.4. Prior to the **policy period**, no Insured listed under Paragraph 1. of Section II – Who Is An Insured and no **employee** authorized by you to give or receive notice of an **occurrence** or claim, knew that the **bodily injury** or **property damage** had occurred, in whole or in part. If such a listed Insured or authorized **employee** knew, prior to the **policy period**, that the **bodily injury** or **property damage** occurred, then any continuation, change or resumption of such **bodily injury** or **property damage** during or after the **policy period** will be deemed to have been known prior to the **policy period**; and
- 1.3. **Bodily injury** or **property damage** which occurs during the **policy period** and was not, prior to the **policy period**, known to have occurred by any Insured listed under Paragraph 1. of Section II – Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim, and includes any continuation, change or resumption of that **bodily injury** or **property damage** after the end of the **policy period**.
- 1.4. **Bodily injury** or **property damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II – Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim:
 - 1.4.1. Reports all or any part, of the **bodily injury** or **property damage** to us or any other insurer;
 - 1.4.2. Receives a written or verbal demand or claim for **compensatory damages** because of the **bodily injury** or **property damage**; or
 - 1.4.3. Becomes aware by any other means that **bodily injury** or **property damage** has occurred or has begun to occur.
- 1.5. **Compensatory damages** because of **bodily injury** include **compensatory damages** claimed by any person or organization for care, loss of services or death resulting at any time from the **bodily injury**.

2. EXCLUSIONS

This insurance does not apply to:

- 2.1. Expected or Intended Injury or Damage
Bodily injury or **property damage** expected or intended from the standpoint of the Insured. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.
- 2.2. Contractual Liability
Bodily injury or **property damage** for which the Insured is obligated to pay **compensatory damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **compensatory damages**:
 - 2.2.1. That the Insured would have in the absence of the contract or agreement; or
 - 2.2.2. Assumed in a contract or agreement that is an **insured contract**, provided the **bodily injury** or **property damage** occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an **insured contract**, reasonable legal fees and necessary litigation expenses incurred by or for a party other than an Insured are deemed to be **compensatory damages** because of **bodily injury** or **property damage**, provided:
 - 2.2.2.1. Liability to such party for, or for the cost of, that party's defence has also been assumed in the same **insured contract**; and
 - 2.2.2.2. Such legal fees and litigation expenses are for defence of that party against a civil or alternative dispute resolution proceeding in which **compensatory damages** to which this insurance applies are alleged.
- 2.3. Workers' Compensation and Similar Laws
Any obligation of the Insured under a workers' compensation, disability benefits or unemployment or employment compensation law or any similar law.

2.4. Employer's Liability

Bodily injury to:

2.4.1. Your **employee** arising out of and in the course of:

- 2.4.1.1. Employment by you; or
- 2.4.1.2. Performing duties related to the conduct of your business; or

2.4.2. The spouse, child, parent, brother or sister of that **employee** as a consequence of sub-paragraph 2.4.1. above.

This exclusion applies:

2.4.3. Whether you may be liable as an employer or in any other capacity; and

2.4.4. To any obligation to share **compensatory damages** with or repay someone else who must pay **compensatory damages** because of the injury.

This exclusion does not apply to:

2.4.5. Liability assumed by the Insured under an **insured contract**; or

2.4.6. A claim made or an **action** brought by a Canadian resident **employee** on whose behalf contributions are made by or are required to be made by you under the provisions of any Canadian provincial or territorial workers' compensation law, if cover or benefits have been denied by any Canadian Workers' Compensation Authority.

2.5. Watercraft

2.5.1. **Bodily injury** or **property damage** arising out of the ownership, maintenance, use or entrustment to others by, or on behalf of, any Insured of any watercraft owned or operated by or rented or loaned to any Insured.

2.5.2. Use includes operation and **loading and unloading**.

2.5.3. This exclusion applies even if the claims against any Insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the **occurrence** which caused the **bodily injury** or **property damage** involved the ownership, maintenance, use or entrustment to others of any watercraft that is owned or operated by, or on behalf of, or rented or loaned to any Insured.

This exclusion does not apply to:

2.5.4. A watercraft while ashore on premises you own or rent;

2.5.5. A watercraft you do not own that is:

- 2.5.5.1. Less than eight (8) metres long; and
- 2.5.5.2. Not being used to carry persons or property for a charge.

2.5.6. **Bodily injury** to your **employee** on whose behalf contributions are made by or are required to be made by you under the provisions of any Canadian provincial or territorial workers compensation law, if the **bodily injury** results from an **occurrence** involving watercraft.

2.6. Aircraft

2.6.1. **Bodily injury** or **property damage** arising out of the ownership, maintenance, use or entrustment to others by, or on behalf of, any Insured of:

- 2.6.1.1. Any aircraft; or
- 2.6.1.2. Any air cushion vehicle.

2.6.2. **Bodily injury** or **property damage** arising out of the ownership, existence, use or operation by or on behalf of any Insured of any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.

2.6.3. Use includes operation and **loading and unloading** of any aircraft or air cushion vehicle.

2.6.4. This exclusion applies even if the claims against any Insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Insured, if the **occurrence** which caused the **bodily injury** or **property damage** involved the ownership, maintenance, use or entrustment to others of any aircraft that is owned or operated by, or on behalf of, or rented or loaned to any Insured.

2.7. Automobile

2.7.1. **Bodily injury** or **property damage** arising directly or indirectly, in whole or in part, out of the ownership, maintenance, use or entrustment to others of any **automobile** owned or operated by, or on behalf of, or rented or loaned to any Insured. Use includes operation and **loading or unloading**.

2.7.2. This exclusion also applies to any motorized snow vehicle or its trailers and any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity.

2.7.3. This exclusion also applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the **occurrence** which caused the **bodily injury** or **property damage** involved the ownership, maintenance, use or entrustment to others of any **automobile** that is owned or operated by, or on behalf of, or rented or loaned to any insured.

2.7.4. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **bodily injury** or **property damage**.

This exclusion does not apply to:

2.7.5. **Bodily injury** to an **employee** of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any Canadian provincial or territorial workers' compensation law.

2.7.6. **Bodily injury** or **property damage** arising out of a defective condition in, or improper maintenance of, any **automobile** owned by the Insured while leased to others for a period of 30 days or more provided the lessee is obligated under contract to ensure that the **automobile** is insured.

2.7.7. **Bodily injury** or **property damage** arising out of the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment. This exception however does not apply when such equipment is mounted on or attached to any **automobile** and such equipment is used for the purpose of **loading or unloading**.

2.7.8. **Bodily injury** or **property damage** arising out of **loading or unloading** if such operations are precluded from coverage under the motor vehicle section of any provincial or territorial act or regulation.

2.8. Damage to Property

Property damage to:

- 2.8.1. Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- 2.8.2. Premises you sell, give away or abandon, if the **property damage** arises out of any part of those premises;
- 2.8.3. Property loaned to you;
- 2.8.4. Personal property in your care, custody or control, including but not limited to:
 - 2.8.4.1. Property held by you for sale or entrusted to you for storage or safekeeping;
 - 2.8.4.2. Property being on premises that is owned or rented by you for the purpose of having operations performed on such property by the Insured;

Sub-paragraphs 2.8.3. and 2.8.4. of this exclusion do not apply to liability assumed under a sidetrack agreement.

2.9. Damage to Your Product

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

2.10. Damage to Your Work

Property damage to your work performed by you or on your behalf arising out of it or any portion thereof, or out of materials, parts or equipment furnished in connection therewith.

2.11. Damage to Impaired Property or Property not Physically Injured

Property damage to impaired property or property that has not been physically injured, arising out of a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

2.12. Recall of Products, Work or Impaired Property

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

- 2.12.1. **Your product;**
- 2.12.2. **Your work;** or
- 2.12.3. **Impaired property;**

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

2.13. Products-Completed Operations Hazard

Bodily injury or property damage included within the **products-completed operations hazard**.

2.14. Injury or Damage Off Premises

Bodily injury or property damage arising out of or from operations or premises (other than the **insured premises**) owned by, rented to or controlled by you or to liability assumed by the Insured under any contract or agreement relating to such premises.

2.15. Structural Alterations

Bodily injury or property damage arising out of structural alterations which involve changing the size of or moving buildings or other structures, new construction or demolition operations performed by you or on your behalf.

2.16. Explosion, Vibration, Removal or Weakening of Support

Property damage arising out of:

- 2.16.1. The use of explosives for blasting;
- 2.16.2. Vibration from pile driving or caisson work; or
- 2.16.3. The removal or weakening of support of any property, building or land whether such support be natural or otherwise.

2.17. Electronic Data

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

2.18. Access to or Disclosure of Confidential or Personal Information (Privacy Breach)

Compensatory damages arising out of any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information.

2.19. Personal Injury and Advertising Injury

Bodily injury arising out of **personal injury** or **advertising injury**.

2.20. Professional Services

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

2.21. Abuse – see Common Exclusions.

2.22. Asbestos –see Common Exclusions.

2.23. Fungi or Spores –see Common Exclusions.

2.24. Nuclear Energy Liability –see Common Exclusions.

2.25. Pollution –see Common Exclusions.

2.26. Terrorism –see Common Exclusions.

2.27. War Risks –see Common Exclusions.

2.28. Unsolicited Communication –see Common Exclusions.

COVERAGE B – PERSONAL INJURY AND ADVERTISING INJURY LIABILITY

This insurance applies only when a Personal Injury and Advertising Injury Limit of Insurance is indicated in the Declaration Page(s).

1. INSURING AGREEMENT

- 1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **personal injury** or **advertising injury** to which this insurance applies. We will have the right and duty to defend the Insured against any **action** seeking those **compensatory damages**. However, we will have no duty to defend the Insured against any **action** seeking **compensatory damages** for **personal injury** or **advertising injury** to which this insurance does not apply. We may, at our discretion, investigate any offence and settle any claim or **action** that may result. But:
 - 1.1.1. The amount we will pay for **compensatory damages** is limited as described in Section III - Limits of Insurance and Deductibles; and
 - 1.1.2. Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical payments under Coverage C.No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.
- 1.2. This insurance applies to **personal injury** and **advertising injury** caused by an offence arising out of your business performed on the **insured premises**, but only if the offence was committed in the **coverage territory** during the **policy period**.

2. EXCLUSIONS

This insurance does not apply to:

- 2.1. Knowing Violation of Rights of Another
Personal injury or **advertising injury** caused by or at the direction of the Insured with the knowledge that the act would violate the rights of another and would inflict **personal injury** or **advertising injury**.
- 2.2. Material Published with Knowledge of Falsity
Personal injury or **advertising injury** arising out of oral or written publication of material, if done by or at the direction of the Insured with knowledge of its falsity.
- 2.3. Material Published Prior to Policy Period
Personal injury or **advertising injury** arising out of oral or written publication of material whose first publication took place before the beginning of the **policy period**.
- 2.4. Criminal Acts
Personal injury or **advertising injury** arising out of a criminal act committed by or at the direction of the Insured.
- 2.5. Contractual Liability
Advertising injury for which the Insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for **compensatory damages** that the Insured would have in the absence of the contract or agreement.
- 2.6. Breach of Contract
Advertising injury arising out of a breach of contract, except an implied contract to use another's advertising idea in your **advertisement**.
- 2.7. Quality or Performance of Goods - Failure to Conform to Statements
Advertising injury arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your **advertisement**.
- 2.8. Wrong Description of Prices
Advertising injury arising out of the wrong description of the price of goods, products or services stated in your **advertisement**.
- 2.9. Infringement of Copyright, Patent, Trademark or Trade Secret
Personal injury and **advertising injury** arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. However, this exclusion does not apply to infringement, in your **advertisement**, of copyright, trade dress or slogan.
- 2.10. Insureds in Media and Internet Type Businesses
Personal injury or **advertising injury** committed by an Insured whose business is:
 - 2.10.1. Advertising, broadcasting, publishing or telecasting;
 - 2.10.2. Designing or determining content of web-sites for others; or
 - 2.10.3. An Internet search, access, content or service provider.**However, this exclusion does not apply to:**
 - 2.10.4. False arrest, detention or imprisonment;
 - 2.10.5. Malicious prosecution;
 - 2.10.6. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.
- 2.11. Interactive Websites, Electronic Chatrooms, Interactive Forums or Bulletin Boards
Personal Injury or **advertising injury** arising out of an electronic interactive website, a chatroom, an interactive forum or a bulletin board the Insured hosts, owns, or over which the Insured exercises control.
- 2.12. Unauthorized Use of Another's Name or Product
Advertising injury arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.
- 2.13. Access to or Disclosure of Confidential or Personal Information (Privacy Breach)
Personal injury or **advertising injury** arising out of any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information.
- 2.14. Abuse – see Common Exclusions
- 2.15. Asbestos – see Common Exclusions.
- 2.16. Fungi or Spores – see Common Exclusions.
- 2.17. Nuclear Energy Liability – see Common Exclusions.
- 2.18. Pollution – see Common Exclusions.

- 2.19. Terrorism – see Common Exclusions.
- 2.20. War Risks – see Common Exclusions.
- 2.21. Unsolicited Communication – see Common Exclusions.

COVERAGE C – MEDICAL PAYMENTS

This insurance applies only when a Medical Payments Limit of Insurance is indicated in the Declaration Page(s).

1. INSURING AGREEMENT

- 1.1. We will pay medical expenses as described below for **bodily injury** caused by an accident:
 - 1.1.1. Occurring on the **insured premises** or on the grounds and structures appurtenant to those **insured premises**; and
 - 1.1.2. Because of your operations.
 provided that:
 - 1.1.3. The accident takes place in the **coverage territory** and during the **policy period**; and
 - 1.1.4. The injured person submits to an examination, at our expense, by physicians of our choice as often as we reasonably require.
- 1.2. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance as described in Section III - Limits of Insurance and Deductibles. We will pay reasonable expenses for:
 - 1.2.1. First aid administered at the time of an accident;
 - 1.2.2. Necessary medical, surgical, x-ray and dental services, including prosthetic devices;
 - 1.2.3. Necessary ambulance, hospital, professional nursing and funeral services; and
 - 1.2.4. Travel and babysitting expenses.

2. EXCLUSIONS

We will not pay expenses for bodily injury:

- 2.1. Any Insured
To any Insured, except **volunteer workers**.
- 2.2. Hired Person
To any person while engaged in maintenance and repair of the **insured premises** or alteration, demolition or construction operations at such premises.
- 2.3. Injury on Normally Occupied Premises
To any person injured on that part of premises you own or rent, that such person normally occupies.
- 2.4. Workers' Compensation and Similar Laws
To a person, whether or not an **employee** of any Insured, if benefits for the **bodily injury** are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- 2.5. Athletics Activities
To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.
- 2.6. Coverage A Exclusions
Excluded under Coverage A.

COVERAGE D – TENANTS' LEGAL LIABILITY

This insurance applies only when a Tenant's Legal Liability Limit of Insurance is indicated in the Declaration Page(s).

1. INSURING AGREEMENT

- 1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **property damage** to which this insurance applies. This insurance applies only to **property damage** to premises of others (including building fixtures permanently attached thereto other than improvements and betterments) rented to you or occupied by you. We will have the right and duty to defend the Insured against any **action** seeking those **compensatory damages**. However, we will have no duty to defend the Insured against any **action** seeking **compensatory damages** for **property damage** to which this insurance does not apply. We may, at our discretion, investigate any **occurrence** and settle any claim or **action** that may result. But:
 - 1.1.1. The amount we will pay for **compensatory damages** is limited as described in Section III - Limits of Insurance and Deductibles; and
 - 1.1.2. Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical payments under Coverage C.
 No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.
- 1.2. This insurance applies to **property damage** only if:
 - 1.2.1. The **property damage** is caused by an **occurrence** that takes place in the **coverage territory**;
 - 1.2.2. The **property damage** occurs during the **policy period**; and
 - 1.2.3. Prior to the **policy period**, no Insured listed under Paragraph 1. of Section II – Who Is An Insured and no **employee** authorized by you to give or receive notice of an **occurrence** or claim, knew that the **property damage** had occurred, in whole or in part. If such a listed Insured or authorized **employee** knew, prior to the **policy period**, that the **property damage** occurred, then any continuation, change or resumption of such **property damage** during or after the **policy period** will be deemed to have been known prior to the **policy period**.
- 1.3. **Property damage** which occurs during the **policy period** and was not, prior to the **policy period**, known to have occurred by any Insured listed under Paragraph 1. of Section II – Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim, and includes any continuation, change or resumption of that **property damage** after the end of the **policy period**.

- 1.4. **Property damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II – Who Is An Insured or any **employee** authorized by you to give or receive notice of an **occurrence** or claim:
 - 1.4.1. Reports all or any part, of the **property damage** to us or any other insurer;
 - 1.4.2. Receives a written or verbal demand or claim for **compensatory damages** because of the **property damage**; or
 - 1.4.3. Becomes aware by any other means that **property damage** has occurred or has begun to occur.

2. EXCLUSIONS

This insurance does not apply to:

- 2.1. Expected or Intended Damage
Property damage expected or intended from the standpoint of the Insured.
- 2.2. Contractual Liability
Property damage for which the Insured is obligated to pay **compensatory damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **compensatory damages** that the Insured would have in the absence of the contract or agreement.
- 2.3. Abuse – see Common Exclusions.
- 2.4. Asbestos – see Common Exclusions.
- 2.5. Fungi or Spores – see Common Exclusions.
- 2.6. Nuclear Energy Liability – see Common Exclusions.
- 2.7. Pollution – see Common Exclusions.
- 2.8. Terrorism – see Common Exclusions.
- 2.9. War Risks – see Common Exclusions.
- 2.10. Unsolicited Communication – see Common Exclusions.

COMMON EXCLUSIONS COVERAGES A, B, C and D

This insurance does not apply to:

1. ABUSE

- 1.1. Claims or **actions** arising directly or indirectly from **abuse** committed or alleged to have been committed by an Insured, including the transmission of disease arising out of any act of **abuse**.
- 1.2. Claims or **actions** based on the Named Insured's practices of **employee** hiring, acceptance of **volunteer workers** or supervision or retention of any person alleged to have committed **abuse**.
- 1.3. Claims or **actions** alleging knowledge by an Insured of, or failure to report, the alleged **abuse** to the appropriate authority(ies).

2. ASBESTOS

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

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

3. FUNGI OR SPORES

- 3.1. **Bodily injury, property damage or personal injury** or any other cost, loss or expense incurred by others, arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any **fungi or spores** however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of **fungi or spores**;
- 3.2. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with 3.1. above; or
- 3.3. Any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in 3.1. or 3.2. above.

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

4. NUCLEAR ENERGY LIABILITY

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

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

5. POLLUTION

- 5.1. **Bodily injury, property damage or personal injury** arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**:
- 5.1.1. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any Insured. However, this sub-paragraph does not apply to:
- 5.1.1.1. **Bodily injury** if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- 5.1.1.2. **Bodily injury or property damage** for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional Insured with respect to your ongoing operations performed for that additional Insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any Insured, other than that additional Insured; or
- 5.1.1.3. **Bodily injury or property damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight a **hostile fire**;
- 5.1.2. At or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, disposal, processing or treatment of waste;
- 5.1.3. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
- 5.1.3.1. Any Insured; or
- 5.1.3.2. Any person or organization for whom you may be legally responsible; or
- 5.1.4. At or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor. However, this sub-paragraph does not apply to:
- 5.1.4.1. **Bodily injury or property damage** arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operating fluids escape from a permanent and integral mobile equipment part designed to hold, store or receive them. This exception does not apply if the **bodily injury or property damage** arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such Insured, contractor or subcontractor;
- 5.1.4.2. **Bodily injury or property damage** sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- 5.1.4.3. **Bodily injury or property damage** arising out of heat, smoke or fumes from, or fire extinguishing substances used to fight, a **hostile fire**.
- 5.1.5. At or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of **pollutants**.
- 5.2. Any loss, cost or expense arising out of any:
- 5.2.1. Request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or
- 5.2.2. Claim or **action** by or on behalf of a governmental authority for **compensatory damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, decontaminating, stabilizing, remediating or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.
- However, this Section 5.2. does not apply to liability for **compensatory damages** because of **property damage** that the Insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or **action** by or on behalf of a governmental authority.

6. TERRORISM

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

7. WAR RISKS

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

8. UNSOLICITED COMMUNICATION

Bodily injury, property damage, personal injury or advertising injury imposed by or arising from any **action** or omission that violates or allegedly violates any federal, provincial, territorial, state or municipal act, law, statute, ordinance, rule or regulation, that restricts or prohibits the transmitting of any **unsolicited communication**, regardless of the jurisdiction.

SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D

1. We will pay, with respect to any claim we investigate or settle, or any **action** against an Insured we defend:

- 1.1. All expenses we incur;
- 1.2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds;
- 1.3. All costs to protect you against any levy of execution arising from a judgment;
- 1.4. All reasonable expenses you incur at our request to assist us in the investigation or defence of the claim or **action**, including actual loss of earnings because of time off from work;
- 1.5. All costs assessed or awarded against you in the **action**;
- 1.6. Any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

If we are prevented by law or otherwise from defending the Insured, we will reimburse the Insured for defence costs and expenses that are incurred with our consent.

These payments will not reduce the limits of insurance.

2. If we defend an Insured against an **action** and an indemnitee of the Insured is also named as a party to the **action**, we will defend that indemnitee if all of the following conditions are met:
 - 2.1. The **action** against the indemnitee seeks **compensatory damages** for which the Insured has assumed the liability of the indemnitee in a contract or agreement that is an **insured contract**;
 - 2.2. This insurance applies to such liability assumed by the Insured;
 - 2.3. The obligation to defend, or the cost of the defence of, that indemnitee, has also been assumed by the Insured in the same **insured contract**;
 - 2.4. The allegations in the **action** and the information we know about the **occurrence** are such that no conflict appears to exist between the interests of the Insured and the interests of the indemnitee;
 - 2.5. The indemnitee and the Insured ask us to conduct and control the defence of that indemnitee against such **action** and agree that we can assign the same counsel to defend the Insured and the indemnitee; and
 - 2.6. The indemnitee:
 - 2.6.1. Agrees in writing to:
 - 2.6.1.1. Cooperate with us in the investigation, settlement or defence of the **action**;
 - 2.6.1.2. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **action**;
 - 2.6.1.3. Notify any other insurer whose coverage is available to the indemnitee; and
 - 2.6.1.4. Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - 2.6.2. Provides us with written authorization to:
 - 2.6.2.1. Obtain records and other information related to the **action**; and
 - 2.6.2.2. Conduct and control the defence of the indemnitee in such **action**.

So long as the above conditions are met, legal fees incurred by us in the defence of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of sub-paragraph 2.2.2. of Section I - Coverage A - Bodily Injury and Property Damage Liability, such payments will not be deemed to be **compensatory damages** for **bodily injury** and **property damage** and will not reduce the limits of insurance.

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

 - 2.7. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
 - 2.8. The conditions set forth above, or the terms of the agreement described in sub-paragraph 2.6. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. IF YOU ARE DESIGNATED IN THE DECLARATION PAGE(S) AS:

- 1.1. An individual, you and your spouse are Insureds, but only with respect to the conduct of a business of which you are the sole owner.
- 1.2. A partnership, limited liability partnership or joint venture, you are an Insured. Your members, your partners, and their spouses are also Insureds, but only with respect to the conduct of your business.
- 1.3. A limited liability company, you are an Insured. Your members are also Insureds, but only with respect to the conduct of your business. Your managers are Insureds, but only with respect to their duties as your managers.
- 1.4. An organization other than a partnership, limited liability partnership, joint venture or limited liability company, you are an Insured. Your **executive officers** and directors are Insureds, but only with respect to their duties as your officers or directors. Your shareholders are also Insureds, but only with respect to their liability as shareholders.
- 1.5. A trust, you are an Insured. Your trustees are also Insureds, but only with respect to their duties as trustees;

But only with respect to the ownership, maintenance or occupancy of the **insured premises** or the grounds and structures appurtenant to those **insured premises**.

2. EACH OF THE FOLLOWING IS ALSO AN INSURED:

- 2.1. Your **volunteer workers** only while performing duties related to the conduct of your business, or **employees**, other than either your **executive officers** (if you are an organization other than a partnership, limited liability partnership, joint venture or limited liability company), or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these **employees** or **volunteer workers** are Insureds for:
 - 2.1.1. **Bodily injury, personal injury or advertising injury:**
 - 2.1.1.1. To you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-**employee** while in the course of his or her employment or performing duties on your behalf, or to your other **volunteer workers** while performing duties related to the conduct of your business, except with respect to **incidental medical malpractice injury**;
 - 2.1.1.2. To the spouse, child, parent, brother or sister of that co-**employee** or **volunteer worker** as a consequence of sub-paragraph 2.1.1.1. above;
 - 2.1.1.3. For which there is any obligation to share **compensatory damages** with or repay someone else who must pay **compensatory damages** because of the injury described in sub-paragraphs 2.1.1.1. or 2.1.1.2. above;
 - 2.1.1.4. Arising out of his or her providing or failing to provide professional health care services; or
 - 2.1.1.5. To any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law.
 - 2.1.2. **Property damage** to property that is:
 - 2.1.2.1. Owned or occupied by; or
 - 2.1.2.2. Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose.

By you, any of your **employees**, **volunteer workers**, any partner or member (if you are a partnership, limited liability partnership or joint venture) or any member (if you are a limited liability company).
- 2.2. Any person (other than your **employee** or **volunteer worker**), or any organization while acting as your real estate manager.
- 2.3. Any person or organization having proper temporary custody of your property if you die, but only:
 - 2.3.1. With respect to liability arising out of the maintenance or use of that property; and
 - 2.3.2. Until your legal representative has been appointed.

- 2.4. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Form.
- 2.5. Your unit or strata lot owners and any tenants, but only with respect to the conduct of the corporation for liability arising out of the common property, excluding liability arising out of the owner's or tenant's possession, occupation or use of property designated for exclusive use;

But only with respect to the ownership, maintenance or occupancy of the **insured premises** or the grounds and structures appurtenant to those **insured premises**.

3. Any organization you newly acquire or form, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization, but only with respect to ownership, maintenance or occupancy of the **insured premises** or the grounds and structures appurtenant to those **insured premises**. However:
 - 3.1. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the **policy period**, whichever is earlier;
 - 3.2. Coverage A and D do not apply to **bodily injury** or **property damage** that occurred before you acquired or formed the organization; and
 - 3.3. Coverage B does not apply to **personal injury** or **advertising injury** arising out of an offence committed before you acquired or formed the organization.

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

SECTION III – LIMITS OF INSURANCE AND DEDUCTIBLES

1. The Limits of Insurance shown in the Declaration Page(s), subject to the rules below, are the most we will pay regardless of the number of:
 - 1.1. Insureds;
 - 1.2. Claims made or **actions** brought; or
 - 1.3. Persons or organizations making claims or bringing **actions**.
2. The Aggregate Limit is the most we will pay for the sum of:
 - 2.1. **Compensatory damages** under Coverage A;
 - 2.2. **Compensatory damages** under Coverage B; and
 - 2.3. Medical expenses under Coverage C.
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of:
 - 3.1. **Compensatory damages** under Coverage A; and
 - 3.2. Medical payments under Coverage C;
 because of all **bodily injury** and **property damage** arising out of any one **occurrence**.
4. The Personal Injury and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all **compensatory damages** because of all **personal injury** and **advertising injury** sustained by any number of person(s) or organization(s) in the Aggregate.
5. The Tenants' Legal Liability Limit is the most we will pay under Coverage D for **compensatory damages** because of **property damage** to any one premises.
6. Subject to Paragraph 3. above, the Medical Payments Limit is the most we will pay under Coverage C for all medical payments because of **bodily injury** sustained by any one person.
7. The Limits of Insurance of this Policy apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the **policy period** shown in the Declaration Page(s), unless the **policy period** is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.
8. **DEDUCTIBLES**
 - 8.1. Our obligation under Property Damage Liability and Tenants' Legal Liability to pay **compensatory damages** on your behalf applies only to the amount of **compensatory damages** in excess of any deductible amounts stated in the Declaration Page(s) as applicable to such coverages, and the limits of insurance applicable to each **occurrence** for Property Damage Liability and any one premises for Tenants' Legal Liability will be reduced by the amount of such deductible.
 - 8.2. The deductible amounts apply as follows:
 - 8.2.1. Coverage A
Under Coverage A: To all **compensatory damages** because of **property damage** as the result of any one **occurrence**, regardless of the number of persons or organizations who sustain **compensatory damages** because of that **occurrence**.
 - 8.2.2. Coverage D
Under Coverage D: To all **compensatory damages** because of **property damage** as the result of any one **occurrence**, regardless of the number of persons or organizations who sustain **compensatory damages** because of that **occurrence**. However, this deductible shall not be applied to claims arising out of the perils of fire, explosion, smoke and sprinkler leakage.
 - 8.3. The terms of this insurance, including those in respect to:
 - 8.3.1. Our right and duty to defend any **action** seeking those **compensatory damages**; and
 - 8.3.2. Your duties in the event of an **occurrence**, claim or **action**;
 apply irrespective of the application of the deductible amount.
 - 8.4. We may pay any part or all of the deductible amount to effect settlement of any claim or **action** and, upon notification of the **action** taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

SECTION IV – DEFINITIONS

1. **Abuse** means, but is not limited to, any act or threat involving molestation, harassment, corporal punishment, assault or battery or any other form of sexual, physical, mental, psychological or emotional abuse.
2. **Action** means a civil proceeding in which **compensatory damages** because of **bodily injury**, **property damage**, **personal injury** or **advertising injury** to which this insurance applies are alleged. **Action** includes:
 - 2.1. An arbitration proceeding in which such **compensatory damages** are claimed and to which the Insured must submit or does submit with our consent; or
 - 2.2. Any other alternative dispute resolution proceeding in which such **compensatory damages** are claimed and to which the Insured submits with our consent.

3. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - 3.1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - 3.2. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an **advertisement**.
4. **Advertising injury** means injury arising out of one or more of the following offences:
 - 4.1. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - 4.2. Oral or written publication, in any manner, of material that violates a person's right of privacy; or
 - 4.3. The use of another's advertising idea in your **advertisement**; or
 - 4.4. Infringing upon another's copyright, trade dress or slogan in your **advertisement**.
5. **Automobile** means a self-propelled land motor vehicle, trailer or semitrailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any machinery or equipment attached to such automobile.
6. **Bodily injury** means bodily or mental injury, sickness, disease, disability or shock sustained by a person, including death resulting at any time.
7. **Compensatory damages** means damages (including prejudgment interest) due or awarded in payment for actual injury or economic loss. **Compensatory damages** does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
8. **Coverage territory** means Canada only.
9. **Electronic data** means information, facts or programs in any form or representations of information or concepts in any form stored as or on, created or used on, or transmitted to or from computer or data processing software (including systems and application software), memory devices, data processing devices or any other media that are used with electronically controlled equipment.
10. **Employee** includes a **leased worker** and a **temporary worker**.
11. **Executive officer** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document or any person designated as an officer by you.
12. **Fissionable substance** means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
13. **Fungi** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any **fungi** or **spores** or resultant mycotoxins, allergens or pathogens.
14. **Hostile fire** means a fire that becomes uncontrollable or breaks out from where it was intended to be.
15. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
 - 15.1. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - 15.2. You have failed to fulfill the terms of a contract or agreement;if such property can be restored to use by:
 - 15.3. The repair, replacement, adjustment or removal of **your product** or **your work**; or
 - 15.4. Your fulfilling the terms of the contract or agreement.
16. **Incidental medical malpractice injury** means **bodily injury** arising out of the rendering of or failure to render, during the **policy period**, the following services:
 - 16.1. Medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or
 - 16.2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;by any Insured or any indemnitee causing the **incidental medical malpractice injury** who is not engaged in the business or occupation of providing any of the services described in sub-paragraphs 16.1. and 16.2. above.
17. **Insured contract** means:
 - 17.1. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you or temporarily occupied by you with permission of the owner is not an **insured contract**;
 - 17.2. A sidetrack agreement;
 - 17.3. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
 - 17.4. Any other easement agreement;
 - 17.5. An obligation, as required by ordinance or bylaw, to indemnify a municipality, except in connection with work for a municipality;
 - 17.6. An elevator maintenance agreement.
18. **Insured premises** means:
 - 18.1. The premises as described in the Declaration Page(s) or on a schedule attached to the policy; and
 - 18.2. Premises as to which you acquire ownership or control, provided you notify us within thirty (30) days following the effective date of such acquisition, but the insurance with respect to the newly acquired premises does not apply to any loss against which you have other valid and collectible insurance; and includes the grounds and structures appurtenant to those **insured premises**.
19. **Leased worker** means a person leased to you by a labour leasing firm under an agreement between you and the labour leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.
20. **Loading or unloading** means the handling of property:
 - 20.1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **automobile**;
 - 20.2. While it is in or on an aircraft, watercraft or **automobile**; or
 - 20.3. While it is being moved from an aircraft, watercraft or **automobile** to the place where it is finally delivered;but **loading or unloading** does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or **automobile**.
21. **Nuclear energy hazard** means the radioactive, toxic, explosive, or other hazardous properties of **radioactive material**.

22. Nuclear facility means:

- 22.1. Any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - 22.2. Any equipment or device designed or used for:
 - 22.2.1. Separating the isotopes of plutonium, thorium and uranium or any one or more of them; or
 - 22.2.2. Processing or packaging waste;
 - 22.3. Any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - 22.4. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste **radioactive material**;
- and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

23. Occurrence means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

24. Personal injury means injury, including consequential **bodily injury**, arising out of one or more of the following offences:

- 24.1. False arrest arising out of your business performed on the **insured premises** and occurring on the **insured premises** or on the grounds and structures appurtenant to those **insured premises**, detention or imprisonment;
- 24.2. Malicious prosecution;
- 24.3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor, arising out of your business performed on the **insured premises** and occurring on the **insured premises** or on the grounds and structures appurtenant to those **insured premises**;
- 24.4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- 24.5. Oral or written publication, in any manner, of material that violates a person's right of privacy.

25. Policy period means each consecutive period of twelve (12) months included in the **policy period** shown on the Declaration Page(s). The first twelve-month period starts on the inception date of the policy and the subsequent period starts at the expiry of the first twelve-month period.

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

27. Products-completed operations hazard

- 27.1. Includes all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:
 - 27.1.1. Products that are still in your physical possession; or
 - 27.1.2. Work that has not yet been completed or abandoned. However, **your work** will be deemed completed at the earliest of the following times:
 - 27.1.2.1. When all of the work called for in your contract has been completed;
 - 27.1.2.2. When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site;
 - 27.1.2.3. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- 27.2. Does not include **bodily injury** or **property damage** arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

28. Professional services means, without limitation:

- 28.1. Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection with such service or treatment;
- 28.2. Service or treatment conducive to health;
- 28.3. Professional services of a pharmacist;
- 28.4. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
- 28.5. The handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
- 28.6. Cosmetic, body piercing, hairdressing, massage, physiotherapy, chiropody, hearing aid, optical or optometric services or treatments;
- 28.7. The preparation or approval of maps, plans, opinions, reports, surveys, field orders, change orders or drawings and specifications;
- 28.8. Supervisory, inspection, architectural, design or engineering services;
- 28.9. Professional advice or activities of accountants, advertisers, notaries (Quebec), public notaries, paralegals, lawyers, real estate brokers or agents, insurance brokers or agents, travel agents, financial institutions, or consultants;
- 28.10. Computer programming or re-programming, consulting, advisory or related services; or
- 28.11. Claim, investigation, adjusting of claims, appraisal, survey or audit services.

29. Property damage means:

- 29.1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- 29.2. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it.

For the purposes of this insurance, **electronic data** is not tangible property.

30. Radioactive material means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by any nuclear liability act, law or statute, or any law amendatory thereof, as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.

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

32. Temporary worker means a person who is furnished to you to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.

33. 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.

34. Unsolicited communication means communication in any form sent to any person or organization, without their prior consent.

35. Volunteer worker means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

36. Your product

36.1. Means:

36.1.1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

36.1.1.1. You;

36.1.1.2. Others trading under your name; or

36.1.1.3. A person or organization whose business or assets you have acquired; and

36.1.2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

36.2. Includes:

36.2.1. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and

36.2.2. The providing of or failure to provide warnings or instructions.

36.3. Does not include vending machines or other property rented to or located for the use of others but not sold.

37. Your work

37.1. Means:

37.1.1. Work or operations performed by you or on your behalf; and

37.1.2. Materials, parts or equipment furnished in connection with such work or operations.

37.2. Includes:

37.2.1. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and

37.2.2. The providing of or failure to provide warnings or instructions.

COMMERCIAL BUILDING AND CONTENTS NAMED PERILS FORM

Words and phrases in quotation marks have special meaning as defined in SECTION 17. DEFINITIONS.

1. INDEMNITY AGREEMENT

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

- (a) the value of the lost or damaged property as determined in Clause 15. LOSS SETTLEMENT – BASIS OF VALUATION, or if the "declarations page(s)" specifies that this policy is endorsed with a Form that contains a Replacement Cost clause applicable to this Form, by the valuation determined in the replacement cost clause;
 - (b) the interest of the Insured in the property;
 - (c) the amount of insurance specified on the "declarations page(s)" for the lost or damaged property.
- The inclusion of more than one person or interest shall not increase the Insurer's liability.

2. INSURED PROPERTY

This Form insures those of the following items for which an amount of insurance is specified on the "declarations page(s)" and only while at the "premises":

- "Building"
- "Equipment"
- "Stock"
- "Contents of Every Description"
- "Property of Every Description"

3. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by an insured peril exceeds the amount of the deductible specified on the "declarations page(s)" in any one "occurrence".

4. COINSURANCE

This clause applies separately to each item for which a coinsurance percentage is specified on the "declarations page(s)" and only where the amount of loss or damage exceeds the lesser of 5% of the applicable amount of insurance or \$10,000.

The Insured shall maintain insurance concurrent with this form on the insured property to the extent of at least the amount produced by multiplying the "value of the property" as defined in this Section 4. COINSURANCE by the coinsurance percentage specified on the "declarations page(s)". If the Insured fails to do so, the Insured shall be entitled to recover only that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

"Value of the Property": For the purpose of applying this Section 4. COINSURANCE, the "value of the property" is determined by Section 15. LOSS SETTLEMENT - BASIS OF VALUATION. However, if the "declarations page(s)" specifies that this policy is endorsed with a Form that contains a Replacement Cost clause applicable to this Form, then for the purpose of applying this Section 4. COINSURANCE, the Replacement Cost clause will establish the "value of the property" to which the Replacement Cost Clause applies and Section 15. LOSS SETTLEMENT – BASIS OF VALUATION will be of no force or effect with respect to that valuation.

5. INSURED PERILS

This form insures against direct physical loss of or damage to the insured property caused by the following perils:

(A) FIRE OR LIGHTNING

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

- (i)
 - (a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - (b) piping and apparatus or their parts normally containing steam or water under steam pressure from an external source and while under such pressure;
 - (c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion from them;
 - (d) smelt dissolving tanks;
 - (ii) other vessels and apparatus, and connected pipes, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
 - (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
 - (iv) any vessels and apparatus and connected pipes while undergoing pressure tests, but this exclusion shall not apply to other insured property that has been damaged by such explosion;
 - (v) gas turbines.
- The following are not explosions within the intent or meaning of this section:
- (a) electric arcing or any coincident rupture of electrical equipment due to such arcing;
 - (b) bursting or rupture caused by hydrostatic pressure or freezing;
 - (c) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.

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

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

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

(D) **RIOT, VANDALISM OR MALICIOUS ACTS:** The term Riot includes open assemblies of strikers inside or outside the "premises" who have quitted work and of locked-out employees.

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

- (i) due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
- (ii) due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under Section 5. INSURED PERILS, PERIL (B), EXPLOSION;
- (iii) due to theft or attempted theft.

(E) **SMOKE:** The term "smoke" means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability for any cumulative damage.

(F) **LEAKAGE FROM "FIRE PROTECTIVE EQUIPMENT":** The term Leakage from "Fire Protective Equipment" means:

- (i) the leakage or discharge of water or other substances from;
 - (ii) the collapse of;
 - (iii) the rupture due to freezing of;
- "fire protective equipment" for the "premises" or for adjoining structures.

(G) **WINDSTORM OR HAIL:** There shall in no event be any liability for loss or damage:

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

6. EXCLUSIONS

A. EXCLUDED PROPERTY

This form does not insure loss of or damage to:

- (a) property at locations which, to the knowledge of the Insured, are vacant, unoccupied or shut down for more than 30 consecutive days;
- (b) electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing. This exclusion does not apply to loss or damage caused directly by resultant fire or explosion;
- (c) growing plants, trees, shrubs or flowers, all while outside of the "building", except as provided in Section 7. EXTENSIONS OF COVERAGE, Item (D) Growing Plants, Trees, Shrubs or Flowers outside of the "Building";
- (d) money, "cash cards", bullion, platinum or other precious metals or alloys, securities, stamps, tickets (except lottery tickets) or tokens, or evidence of debt or title;
- (e) automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property. This exclusion does not apply to watercraft or amphibious or air cushion vehicles held for sale, or to unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "premises";
- (f) property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- (g) roadways, walkways, parking lots, other exterior paved surfaces, retaining walls or permanently installed landscape structures outside of the "building". This exclusion does not apply to the first \$10,000 of any loss otherwise insured;
- (h) "equipment" or "stock" occasioned by or happening through their undergoing any process involving the application of heat.

B. EXCLUDED PERILS

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

- (a) in whole or in part by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage;
- (b)
 - (i) by any nuclear incident (as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
 - (ii) by contamination by radioactive material;
- (c) proximately or remotely, arising in consequence of or contributed to by the enforcement of any bylaw, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which bylaw, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.

C. POLLUTION EXCLUSION

This form does not insure against:

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

D. OTHER EXCLUDED LOSSES:

This form does not insure loss of or damage to "building", "equipment" or "stock" caused directly or indirectly:

- (i) by any dishonest or criminal act committed by the Insured or any agent of the Insured, acting alone or in collusion with others;
- (ii) by theft or attempted theft committed by any employee of the Insured, acting alone or in collusion with others;
- (iii) by any dishonest or criminal act committed by anyone, except as stated in (ii), when the Insured or any agent of the Insured knew or ought to have known prior to the loss or damage, of the dishonest or criminal act. This exclusion (iii) does not apply if, upon becoming aware of the dishonest or criminal act, the Insured or any agent of the Insured immediately notifies the police and the Insurer.

7. EXTENSIONS OF COVERAGE

The following extensions of coverage shall not increase the amounts of insurance applying under this form and are subject to all the conditions of this Form (other than Section 4. COINSURANCE).

- (a) **Removal:** If any of the insured property is necessarily removed from the "premises" to prevent loss of or damage to or further loss of or damage to such property, that part of the insurance under this form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 7 days only, or for the unexpired term of the policy if less than 7 days, insure the property removed and any property remaining at the "premises" in the proportions which the value of the property in each of the locations bears to the value of the property in them all.
- (b)
- (i) **Debris Removal:** The Insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the insured property, occasioned by loss of or damage to such property, for which loss or damage insurance is afforded under this Form.
The amount payable under this extension shall not exceed 25% of the sum of:
- 1) the total amount payable for the direct loss of or damage to insured property; and
 - 2) the amount of the applicable deductible.
- (ii) **Removal of Windstorm Debris:** The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this form but which has been blown by windstorm upon the "premises".
- Extensions of coverage b (i) and b (ii) do not apply to costs or expenses:
- (1) to "clean up" "pollutants" from land or water; or
 - (2) for testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".
- (c) **Personal Property of Officers and Employees:** At the option of the Insured, "equipment" also includes personal property of officers and employees of the Insured. The insurance on such property:
- (i) shall not attach if it is insured by the owner, unless the Insured is obliged to insure it or is liable for its loss or damage;
 - (ii) is, in any event, limited to a maximum recovery of \$250 in respect of any one officer or employee;
 - (iii) shall apply only to loss or damage occurring at the "premises".
- (d) **Growing Plants, Trees, Shrubs or Flowers outside the "Building":** This form is extended to insure loss of or damage to growing plants, trees, shrubs or flowers outside the "building" caused directly by the insured perils other than loss of or damage by the perils of windstorm or hail as stated in Section 5. INSURED PERILS, Item (G) WINDSTORM OR HAIL. This extension of coverage shall be limited to a maximum recovery, including debris removal expense, of:
- (i) \$500 for each growing plant, tree, shrub or flower; and
 - (ii) \$5,000 for any one "occurrence".

8. PERMISSION

Permission is granted:

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

9. BREACH OF CONDITION

If the Insured does not comply with a condition of this insurance, any claim for subsequent loss or damage is not recoverable. The Insurer will not deny a claim for this reason if the Insured proves that the noncompliance 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.

10. REINSTATEMENT

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

11. SUBROGATION

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

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

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

12. PROPERTY PROTECTION SYSTEMS

It is a condition of this insurance, for the purpose of Clause 9, that the Insured shall immediately notify the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any:

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

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

13. PREMIUM ADJUSTMENT

This clause is applicable if a specific amount of insurance is shown on the "declarations page(s)" for "stock". If, within six (6) months after the expiry or anniversary date of each policy period, the Insured shall file with the Insurer a Premium Adjustment Application Form showing, for the policy period, the value of the "stock" on the last day of each month at each "premises" as commented upon by the Insured's Accountant, the actual premium for the policy period shall then be calculated at the rate applying to each "premises" for the average amount of the total values declared. If the premium paid by the Insured for such "stock" exceeds the actual premium thus calculated, the Insurer shall refund to the Insured any excess paid, subject to a maximum refund of 50% of the premium paid. In the event of any monthly declared values being in excess of the amount of insurance, the amount of the excess shall not be included in the premium adjustment calculations.

14. 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.

15. LOSS SETTLEMENT – BASIS OF VALUATION

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

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

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

16. PROPERTY OF OTHERS

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

17. DEFINITIONS

Wherever used in this Form:

- (a) "Building" means the building(s) described on the "declarations page(s)" and includes:
 - (i) fixed structures pertaining to the "building(s)" and located on the "premises";
 - (ii) additions and extensions communicating and in contact with the building(s);
 - (iii) permanent fittings and fixtures attached to and forming part of the building(s);
 - (iv) materials, equipment and supplies on the "premises" for maintenance of, and normal repairs and minor alterations to the "building" or for building services;
 - (v) growing plants, trees, shrubs or flowers inside the "building" used for decorative purposes when the Insured is the owner of the "building".
- (b) "Cash cards" means cards designed to store a cash value by electronic means as a mode of payment, without a personal identification number and without direct access to a bank or other account.
- (c) "Clean up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to any of these processes.
- (d) "Contents of every description" means "equipment" and "stock".
- (e) "Declarations page(s)" means the declarations page(s) applicable to this form including any supplementary page(s) or schedule(s) of coverages attached to them, applicable to this policy;
- (f) "Equipment" means:
 - (i) generally all contents usual to the Insured's business, including furniture, furnishings, fittings, fixtures, machinery, tools, utensils and appliances, other than "building" or "stock";
 - (ii) similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable;
 - (iii) tenant's improvements, which are defined as building improvements, alterations and betterments made at the expense of the Insured to a "building" occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such "building". If the Insured purchased the use interest in tenant's improvements made by a predecessor tenant, this form applies as though such tenant's improvements had been made at the expense of the Insured.
- (g) "Fire protective equipment" includes tanks, water mains, hydrants, valves and any other apparatus whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
 - (i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
 - (ii) any water mains or appurtenances located outside of the "premises" and forming a part of the public water distribution system;
 - (iii) any pond or reservoir in which the water is impounded by a dam.
- (h) "Occurrence" means any one loss, disaster or casualty, or series of losses, disasters or casualties arising out of one event.
- (i) "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (j) "Premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at each location described on the "declarations page(s)" and in or on vehicles within 100 metres (328 feet) of such locations.
- (k) "Property of every description" means "building", "equipment" and "stock".
- (l) "Stock" means:
 - (i) merchandise of every description usual to the Insured's business;
 - (ii) packing, wrapping and advertising materials; and
 - (iii) similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable.

OWNERS', LANDLORDS' & TENANTS' LIABILITY COVERAGE

AMENDED DEDUCTIBLE ENDORSEMENT – BODILY INJURY AND PROPERTY DAMAGE COMBINED

This Endorsement Changes the Policy. Please Read It Carefully.

Certain 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 Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to Owners', Landlords' & Tenants' Liability Form and is subject to all terms, conditions, limitations and exclusions of such Form:

Sub-paragraph 8.2.1. under **SECTION III – LIMITS OF INSURANCE AND DEDUCTIBLES** in the Owners', Landlords' & Tenants' Liability Form is deleted and replaced by the following:

8.2. The deductible amounts apply as follows:

8.2.1. Coverage A

Under Coverage A: To all **compensatory damages** because of **bodily injury** and **property damage** as the result of any one **occurrence**, regardless of the number of persons or organizations who sustain **compensatory damages** because of that **occurrence**.

All other terms and conditions of the Policy remain unchanged.