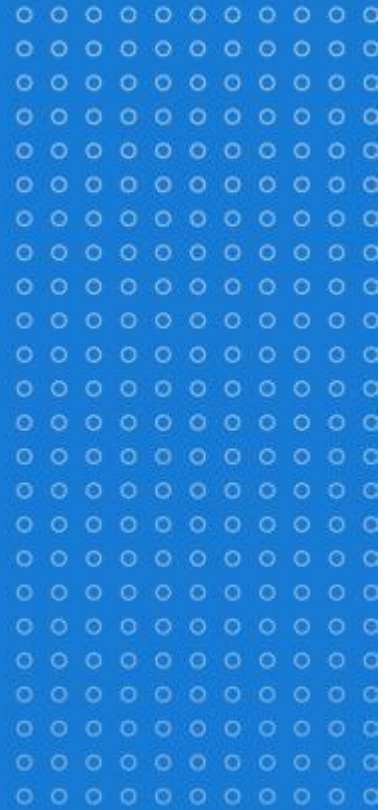


# The General Insurance Plan

Master Policy No. HUB 1925

**The United Church of Canada**



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## Table of Contents

Master Policy No. HUB 1925.....	1
Section I - General Conditions.....	4
Interpretation.....	4
Effective Time .....	4
Definition of Insured .....	4
Notices.....	4
Cancellation of Certificates of Insurance (Covernote).....	5
Cancellation of Master Policy .....	6
Deductibles and Retentions .....	6
Joint Loss Deductible Property.....	8
Titles of Paragraphs.....	8
Language Provision .....	8
Currency Clause .....	8
Trade and Economic Sanctions – Additional Condition .....	8
Section II - Property Insurance.....	9
1. Insuring Agreement.....	9
2. Insured Property .....	9
3. Insured Locations.....	9
4. Property Excluded.....	9
5. Perils Excluded .....	10
6. Extensions of Coverage .....	13
7. Definitions .....	22
8. Data Exclusion .....	26
9. Terrorism Exclusion: (Property and Limited Business Income).....	30
10. Fungi and Fungal Derivatives Exclusion.....	30
11. Stated Amount Co-Insurance Clause .....	31
12. Release and Subrogation.....	31
13. Reinstatement of Limits.....	31
14. Unearned Premium .....	31
15. Waiver of Term or Condition .....	32
16. Sprinkler Maintenance Clause .....	32
17. Notice to Authorities .....	32
18. Sue and Labour .....	32
20. Breach of Conditions.....	32
21. Ownership Clause.....	33
22. Errors and Omissions.....	33
23. Liberalization Clause .....	33
24. Notice(s) .....	33
25. Disputed Loss Agreement .....	33
26. Statutory Conditions.....	33
27. Law of the Province.....	33
28. Severability of Interest.....	33
29. Basis of Loss Settlement.....	34



30. Increased Costs Due to By-Laws ..... 35

31. Value Reporting ..... 35

Mortgage Clause..... 36

1. Breach of Conditions by Mortgagor, Owner or Occupant..... 36

2. Right of Subrogation ..... 36

3. Other Insurance ..... 36

4. Who May Give Proof of Loss..... 36

5. Termination..... 36

6. Foreclosure..... 37

Statutory Conditions..... 38

1. Misrepresentation ..... 38

2. Property of Others..... 38

3. Change of Interest..... 38

4. Material Change..... 38

5. Termination..... 38

6. Requirements After Loss..... 39

7. Fraud ..... 39

8. Who May Give Notice and Proof ..... 39

9. Salvage..... 40

10. Entry, Control, Abandonment ..... 40

11. Appraisal..... 40

12. When Loss Payable ..... 40

13. Replacement..... 40

14. Action..... 40

15. Notice..... 41

Co-Insurance Endorsement ..... 42

Wreckage Value Endorsement..... 43

Communicable Disease Exclusion Endorsement ..... 44

Cyber and Data Endorsement..... 46

Section III - Boiler And Machinery (Equipment Breakdown) Insurance ..... 48

1. Insuring Agreement..... 48

2. Combined Limit – Any "One Accident" ..... 48

3. Extensions of Insurance ..... 48

Definitions and Special Provisions ..... 54

Exclusions..... 57

Conditions..... 60

Section IV - Crime Insurance..... 62

Declarations..... 62

Comprehensive Dishonesty, Disappearance and Destruction ..... 63

1. Insuring Agreements ..... 63

2. Proof of Loss Expenses ..... 65

General Agreements..... 66

1. Consolidation - Merger ..... 66

2. Joint Insured ..... 66

3. Loss Under Prior Bond or Policy ..... 66

Endorsement No. 1 Cheque Warranty ..... 77



Section V - Commercial General Liability Insurance ..... 78

1. Insuring Agreements ..... 78

2. Additional Insuring Agreements..... 79

3. Limits of Liability..... 80

4. Exclusions..... 82

5. Definitions ..... 91

6. General Conditions ..... 95

Communicable Disease Exclusion ..... 100

SPF No. 6 Non-Owned Automobile Insurance ..... 101

S.E.F. No. 94 - Legal Liability for Damage to Hired Automobiles Endorsement..... 112

S.E.F. No. 96 - Contractual Liability Endorsement ..... 114

S.E.F. No. 99 - Excluding Long Term-Leased Vehicle Endorsement..... 115

O.E.F. 98B - Reduction Of Coverage For Lessees Or Drivers Of Leased Vehicles Endorsement ..... 116

Employee Benefits Liability Coverage ..... 117

Voluntary Compensation Coverage..... 120

Medical Payments Coverage ..... 124

Difference in Conditions ..... 126

Non-Accumulation of Limits Endorsement..... 127

Section VI - Umbrella Liability Insurance ..... 128

PART I - Coverages..... 128

PART II - Who Is An Insured ..... 141

PART III - Limit Of Insurance ..... 143

PART IV - Conditions..... 144

PART V - Definitions ..... 150

Standard Excess Automobile Policy – S.P.F. NO. 7 ..... 157

Reduced Coverage For Lessees Or Drivers Of Leased Vehicles Endorsement (O.E. F. 110).. 160

Blanket Follow Form ..... 161

Fire Fighting Expenses Exclusion ..... 162

Damage to Property (Follow-Form); ..... 163

Property Owned, Rented or Occupied by the Insure ..... 163

Non-Accumulation of Limits..... 164

Abuse and Harassment Exclusion..... 165

Employee Benefits Liability (Follow Form)..... 166

Professional Services Errors and Omissions Exclusion..... 167

Absolute Pollution Liability Exclusion (Hostile Fire Exception) ..... 168

Communicable Disease Exclusion ..... 169

Section VII – Abuse – Indemnity Form ..... 170

I. Insuring Clause ..... 170

II. Defence, Settlement and Co-operation ..... 170

III. Exclusions..... 171

IV. General Conditions and Limitations..... 172

V. Definitions ..... 176

Sexual Abuse Counseling and Rehabilitation Expense Endorsement ..... 178

Civil and Criminal Defence Costs Reimbursement ..... 179



## Master Policy No. HUB 1925

In consideration of the terms and conditions and premiums stipulated in each individual Certificate of Insurance (Covernote) issued under this Master Policy, the INSURER(S), which consist of the Captive Insurers and Excess Subscribing Insurers as defined below, hereby SEVERALLY and NOT JOINTLY AGREE, each for its percentage of the Limits of Liability cited in This Policy agree to indemnify the NAMED INSUREDS for loss as hereinafter set forth, subject to the conditions and limitations of each Section of the Policy contained herein or which may be endorsed hereon.

<p><b>Named Insureds</b></p>	<p>THE UNITED CHURCH OF CANADA, The General Council and Regions of the United Church of Canada and those churches, congregations, pastoral charges and affiliated entities of The United Church of Canada over which they have management control and for which they have responsibility to place Insurance for, and who have individual Certificates of Insurance issued in their name.</p>
<p><b>Address of Named Insureds</b></p>	<p>As cited in the individual Certificate of Insurance issued to each Named Insured.</p>
<p><b>Policy Period</b></p>	<p>From December 1, 2023, or as shown in the individual Certificates of Insurance, to December 1, 2024 at 12:01 A.M. Standard Time at the address of the Named Insured, unless This Policy is extended by endorsement. The terms of this Master Policy apply to all Certificates of Insurance with an effective date within that time period regardless of the expiry date.</p>
<p><b>Loss Payable</b></p>	<p>With regard to Property Insurance Section II, Boiler and Machinery (Equipment Breakdown) Insurance Section III and Crime Insurance Section IV, loss hereunder, if any, is payable to the Named Insured as cited in their individual Certificate of Insurance or as they may direct and to any loss payees or mortgagees as may be required to be recognized under any contract, agreement or similar undertaking with the Named Insured, and (where required under such agreements) subject to the Standard Mortgage Clause contained herein, as their interests may appear.</p>
<p><b>Broker</b></p>	<p>HUB International Ontario Limited Toronto, Ontario</p>



**Insurers**

The Insurers and Named Insureds (including each and every Named Insured to which a Certificate of Insurance is issued) understand and agree that this Policy is issued pursuant to a captive insurance model whereby the Insurers, collectively, consist of:

1. the Captive Insurers: Kindred Insurance Inc. and AIG Insurance Company of Canada (pursuant to a fronting reinsurance arrangement); and
2. the Excess Subscribing Insurers: Intact Insurance Company (“Intact”), Northbridge Insurance (“Northbridge”), Wawanesa Insurance (“Wawanesa”) and Ecclesiastical Insurance (“Ecclesiastical”), severally and not jointly, each for its and up to the Excess Percentage of Participation shown below:

Coverage	Excess Percentage of Participation			
	Intact	Northbridge	Wawanesa	Ecclesiastical
Property Insurance – Section II	34%	29%	27%	10%
Boiler and Machinery (Equipment Breakdown) – Section III	50%	50%	N/A	N/A
Crime Insurance – Section IV	100%	N/A	N/A	N/A
Commercial General Liability Insurance – Section V	100%	N/A	N/A	N/A
Umbrella Liability Insurance – Section VI	100%	N/A	N/A	N/A

The interest of each Excess Subscribing Insurer hereunder is individual and not joint and wherever any right or privilege is retained by the Excess Subscribing Insurers such right or privilege may be exercised by each Excess Subscribing Insurer independently.

**Primary Insurance**

The Insurers and Named Insureds understand and agree that the coverages provided by the Excess Subscribing Insurers under this Policy are subject to primary insurance issued by the Captive Insurers, i.e. AIG Insurance Company of Canada as the fronting insurer for Kindred Insurance Inc., (“Primary Insurance”) with the following underlying limits per occurrence and annual aggregate:

- Property and Equipment Breakdown - \$2 million per occurrence, \$5 million annual aggregate
- Commercial General Liability and Umbrella - \$2 million per occurrence, \$2.5 million annual aggregate
- Crime - \$250,000 per occurrence, \$500,000 annual aggregate

(collectively, the “Underlying Limits of the Primary Insurance”)

Upon exhaustion of the Underlying Limits of the Primary Insurance paid on a claims basis by the Captive Insurers, the Excess Subscribing Insurers noted above will provide excess coverage subject to the applicable deductible noted in and up to the limit(s) of liability as indicated in each Certificate of Insurance, in accordance with their respective Excess Percentage of Participation, up to the following Maximum Limits of Liability:

**MAINTENANCE OF PRIMARY INSURANCE AND UNDERLYING LIMITS:**



The Named Insured warrants and it is a condition of this Policy that the Captive Insurers, with total combined limits of liability in an amount not less than the Underlying Limits of the Primary Insurance in any one loss occurrence, provide coverage and that the Primary Insurance is in full force and effect at the inception and during the policy period except for any reduction or exhaustion of the aggregate limits contained therein solely by payment of losses during the period. If during the policy period the Primary Insurance is not maintained in full force and effect, or if there is any change, without the consent of the Excess Subscribing Insurers, in the Primary Insurance or the Underlying Limits of the Primary Insurance, the coverage provided by this Policy will then apply in the same manner as if the Primary Insurance and the Underlying Limits of the Primary Insurance had been so maintained and unchanged.

**BANKRUPTCY, INSOLVENCY OR UNCOLLECTABILITY OF PRIMARY INSURANCE:**

In the event of the bankruptcy, insolvency or other financial impairment of any Captive Insurers, this Policy will apply as if all Primary Insurance were valid and collectible. The Excess Subscribing Insurers will not be liable for the obligations of any such Captive Insurers, and the Excess Subscribing Insurers will not replace any such Primary Insurance. The Excess Subscribing Insurers do not insure or assume, under any circumstances, the risk of uncollectibility (in whole or part), whether because of bankruptcy, insolvency or financial impairment of any Captive Insurers or for any other reason. Rather, the risk of such uncollectibility is expressly retained by the Named Insureds.

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

Dated at Toronto this 1<sup>st</sup> day of December 2023





## Section I - General Conditions

### Applicable to All Sections of Master Policy No. HUB 1925

#### Interpretation

Each Certificate of Insurance and the Sections specified therein as being insured shall be deemed to be incorporated in and form part of This Policy and the expression "This Policy" whenever used in this contract shall be read as including the said Certificate of Insurance and Sections.

Any word or expression to which a specific meaning has been attached in any part of a Section or of the Certificate of Insurance thereto shall bear such meaning wherever it may appear in such Section or Certificate of Insurance.

CONDITIONS MAY BE MODIFIED OR SUPPLEMENTED BY ENDORSEMENT ATTACHED TO AND FORMING PART OF SPECIFIC CERTIFICATES OF INSURANCE.

#### Effective Time

Where This Policy replaces any other insurance in whole or in part, the Policy Period shall be deemed to start immediately after the effective time of the termination or expiry of such other insurance, provided this occurs on the same day of the same month and year, or when due solely to difference in time zones, the previous or subsequent day.

#### Definition of Insured

In addition to the NAMED INSURED, This Policy shall include the interests of organizations that are owned, controlled, associated, operated, affiliated or receive major part of financial support or direction from the NAMED INSURED and with regard to Section II for which values and/or property have been declared in accordance with the terms and conditions of This Policy.

#### Notices

Any notice(s) required under each Section of the Policy to be given to the Insurer(s), may be given by the Insured to HUB International Ontario Limited, Toronto. In the event of a loss, accident, claim or occurrence, notice may be given to the Authorized Insurance Adjuster, or HUB International Ontario Limited, Toronto.



**Cancellation of Certificates of Insurance (Covernote)** (Applicable to all Policy Sections)

This Cancellation notice supersedes and replaces all other Termination or Cancellation notices contained in Sections of the Policy, except as noted below with respect to non-payment of premium.

Any Certificate of Insurance forming part of This Policy may be cancelled at any time at the written request of the Named Insured therein. The unearned portion of the premium having been actually paid to the Insurer(s) or HUB International Ontario Limited, computed on a short rate basis, shall be returned on surrender of the Certificate of Insurance.

Any Certificate of Insurance forming part of This Policy may be cancelled at any time by the Insurer(s) giving to the Insured named in the individual Certificate of Insurance ninety (90) days, or in the event of non-payment of premium fifteen (15) days, notice in writing of cancellation by registered post whether registered in or outside of Canada. The above-mentioned notice shall commence to run from the day following the receipt of the registered letter at the post office to which it is addressed. The Insurer shall refund the excess of "Paid Premium" above the pro rata premium for the time the Certificate of Insurance has been in force as soon as the amount of same has been ascertained.

In the event of non-payment of premium, the notice periods required by the Statutory Conditions or General Conditions for the Province of Quebec shall be changed to read fifteen (15) days to the Certificate Holders.

Days in Force	% of Premium Retained	Days in Force	% of Premium Retained	Days in Force	% of Premium Retained	Days in Force	% of Premium Retained
1-4	12	89-92	34	177-180	56	265-268	78
5-8	13	93-96	35	181-184	57	269-272	79
9-12	14	97-100	36	185-188	58	273-276	80
13-16	15	101-104	37	189-192	59	277-280	81
17-20	16	105-108	38	193-196	60	281-284	82
21-24	17	109-112	39	197-200	61	285-288	83
25-28	18	113-116	40	201-204	62	289-292	84
29-32	19	117-120	41	205-208	63	293-296	85
33-36	20	121-124	42	209-212	64	297-300	86
37-40	21	125-128	43	213-216	65	301-304	87
41-44	22	129-132	44	217-220	66	305-308	88
45-48	23	133-136	45	221-224	67	309-312	89
49-52	24	137-140	46	225-228	68	313-316	90
53-56	25	141-144	47	229-232	69	317-320	91
57-60	26	145-148	48	233-236	70	321-324	92
61-64	27	149-152	49	237-240	71	325-328	93
65-68	28	153-156	50	241-244	72	329-332	94
69-72	29	157-160	51	245-248	73	333-336	95
73-76	30	161-164	52	249-252	74	337-340	96
77-80	31	165-168	53	253-256	75	341-344	97
81-84	32	169-172	54	257-260	76	345-348	98
85-88	33	173-176	55	261-264	77	349-352	99
						353 & Over	100



### Cancellation of Master Policy

(Applicable to all Policy Sections)

- (a) The Master Policy can be cancelled at any time at the written request of The United Church of Canada in which case unearned premiums would be returned to holders of individual Certificates of Insurance on a pro rata basis.
- (b) The Master policy may be cancelled at any time by the Insurers giving to the Insured named in the individual Certificate of Insurance ninety (90) days, or in the event of non-payment of premium fifteen (15) days, notice in writing of cancellation by registered post whether registered in or outside of Canada. The above-mentioned notice shall commence to run from the day following the receipt of the registered letter at the post office to which it is addressed. The Insurer shall refund the excess of "Paid Premium" above the pro rata premium for the time the Master Policy has been in force as soon as the amount of same has been ascertained. The Insurer must provide one hundred and twenty (120) days' notice before the anniversary date of the Master Policy of its intent of non-renewal.
- (c) In this condition the expression "Paid Premium" means premium actually paid by the Insured to the Insurer or its broker and does not include any premium or part thereof paid to the Insurer by a broker unless actually paid to the broker by the Insured.

### Deductibles and Retentions

The Insurer(s) liability shall be limited to that amount by which the loss caused by any of the perils insured against exceeds the deductible amount as shown in the individual Certificate of Insurance in any one Accident, Occurrence, Loss or Claim subject to the following minimum deductibles:

#### Section II – Property Insurance

Earthquake:

#### Deductibles

Coverage	Deductible/Waiting Period.
Earthquake: BC	As per below table outlining % of Total Values at Location of Loss subject to minimum \$250,000 per Occurrence
Earthquake: Quebec	5% of Total Values at Location of Loss subject to a minimum \$100,000 per occurrence
Earthquake: Other	5% of Total Values at location of loss Subject to a minimum of \$100,000 per Occurrence
Flood	\$5,000
SBU	\$2,500 (\$500 mances or other occupied dwellings)
Off Premise Power	24 Hours Waiting Period
Service Interruption	24 Hours Waiting Period
All other Risk	Subject to Group Funded Deductible



**Earthquake BC: Percentage**

Territory	Construction Classes	
	1 - 2 - 3 - 4 - 5 - 6	4 - Masonry
8	20%	25%
7		
6	15%	20%
5	15%	15%
4		
3		
2		
1	10%	10%

Flood: Deductible as shown on the individual Certificate of Insurance subject to a minimum deductible of \$5,000 Each Flood Occurrence

Sewer Back-up: Deductible as shown on the individual Certificate of Insurance subject to a minimum deductible of \$2,500, except \$500 for Manses or other occupied dwellings.

All other Perils: Deductible as shown on the individual Certificate of Insurance subject to a minimum deductible of \$500.

**Section III - Boiler and Machinery (Equipment Breakdown) Insurance**

- \$500 Each Accident
- 24 hour Waiting Period Limited Business Income
- \$1,000 Resultant Damage

**Section IV - Crime Insurance**

- \$500 Each and Every Loss

**Section V - Commercial General Liability Insurance**

- \$250 Property Damage Each Occurrence
- \$1,000 Tenants Legal Liability Each Occurrence
- \$750 Legal Liability for Damage to Hired Automobile Each Occurrence
- \$1,000 Employee Benefits Liability Each Claim
- \$1,000 Civil and Criminal Defence Costs Reimbursement
- Nil Any Other Loss

**Section VI – Umbrella Liability**

- Nil Self-Insured Retention

### Joint Loss Deductible Property

Only one deductible shall apply in any one “Occurrence”. If the loss applies to two or more Sections with differing deductibles, the deductible applicable to the Section with the highest deductible shall apply.

### Titles of Paragraphs

The several titles of the various paragraphs of This Policy (and of Endorsements, if any, now or hereafter attached to This Policy) are inserted solely for convenience of reference, and shall not be deemed in any way to limit or affect the provisions to which they relate.

### Language Provision

The parties hereto have requested that this contract and other related or ensuing documents and notices are drafted in the English language.

### Currency Clause

All amounts referenced in This Policy are in the lawful currency of Canada unless otherwise stated.

### Trade and Economic Sanctions – Additional Condition

#### TRADE AND ECONOMIC SANCTIONS

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

For the purposes of this Endorsement:

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

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

All other terms, conditions and limitations of this Policy remain unchanged.

## Section II - Property Insurance

### Master Policy No. HUB 1925

#### 1. Insuring Agreement

Section II, subject to the conditions, and limitations as herein set forth, insures the “Property of Every Description” except as excluded herein, against ALL RISKS of direct physical loss or damage occurring during the Policy Period, including property of others that the Insured is under a legal obligation to keep insured or for which the Insured is legally liable or has assumed the responsibility to insure.

It is further agreed that loss or damage referred to above shall include the costs of removal and replacement of any material which becomes necessary in order to examine potential damage and/or to effect recovery, repair or replacement of damaged property.

#### 2. Insured Property

“Property of Every Description” (as per Individual Certificates of Insurance) anywhere in Canada and the Continental United States of America excluding Alaska, with the exception of property in transit, which is covered anywhere in the world.

#### 3. Insured Locations

The location(s) of the “Premises” where the property insured is usually located shall be as named in the individual Certificate of Insurance.

#### 4. Property Excluded

This Section does not insure:

- (a) sewers, drains or watermains located outside the “Premises” of the Insured unless the Insured is legally responsible for such sewers, drains or water mains;
- (b) live animals, fish, birds, money, notes, securities, stamps, accounts, bills, evidences of title, evidences of debt, letters of credit, passports, transportation tickets and other documents having a negotiable or market value. This exclusion does not apply where limited coverage has been otherwise provided;
- (c) aircraft, watercraft but this exclusion shall not apply to watercraft:
  - (i) while ashore on “Premises” owned or rented by the Insured;
  - (ii) that is less than 10 metres long provided the individual Certificate of Insurance includes a schedule of such insured property.
- (d) motor vehicles licensed for regular highway use except as provided in Part 6 (n);
- (e) furs, fur garments, jewels, jewellery, watches, pearls, precious and semi-precious stones, gold, silver, platinum and other precious metals and alloys, (except as provided under Part 6 (j)). This exclusion shall not apply to objects, items or artifacts of a religious nature, or usual to the operations of the Insured.
- (f) property insured under the terms of any Marine Insurance, and property while waterborne except while on a regular ferry or railway car transfer in connection with land transportation;
- (g) property sold by the Insured under conditional sale, installment payment or other deferred payment plan, after delivery to customers;



- (h) property illegally acquired, kept, stored or transported by the Insured; or property seized or confiscated for breach of any law on the part of the Insured or by order of any public authority;
- (i) land, but this exclusion shall not apply to the value of land improvements;
- (j) property at locations which to the knowledge of the Insured are unoccupied, shutdown or vacant for more than sixty (60) consecutive days, unless the Insurer has been notified and has accepted such unoccupancy, shutdown or vacancy.

## 5. Perils Excluded

### **This Section of the Policy does not insure against loss or damage caused:**

- (a) directly or indirectly, by dampness of atmosphere, dryness of atmosphere, changes of temperature, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, contamination, change in flavour or colour or texture or finish, rust or corrosion, crushing, and in respect only to "Contents", breakage of glass or similar fragile materials, but this exclusion does not apply to loss or damage caused by or resulting from a peril not excluded elsewhere in this Section of the Policy;
- (b) by seepage, leakage or influx of water derived from natural sources through basement walls, foundations, basement floors, sidewalks or sidewalk lights, unless caused by or resulting from a peril not excluded elsewhere in this Section of the Policy;
- (c) by entrance of rain, sleet or snow through doors, windows, skylights or other wall or roof openings unless through an aperture concurrently caused by a peril not otherwise excluded;
- (d) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof, nuclear explosion or contamination by radioactive material; but this exclusion shall not apply to Part 6 (m);
- (e) by electrical disturbances to electrical appliances or devices of any kind (including wiring) due to electrical currents artificially generated, unless caused by or resulting from perils not otherwise excluded.

This exclusion does not apply to data processing systems including equipment and component parts thereof and data processing media thereof owned by, leased to, rented to, or under the control of the Insured.

It is further agreed that this exclusion shall not apply when the property is undergoing testing and commissioning procedures in connection with construction projects prior to final acceptance of such projects.

- (f) by rodents, insects, or vermin unless caused by or resulting in a peril not excluded elsewhere in this Section of the Policy;
- (g) to "Contents" only, sustained while the insured "Contents" are actually being worked upon and directly resulting therefrom, unless caused by a peril not excluded elsewhere in this Section of the Policy;
- (h) as a result of misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or its employees.

This exclusion shall not apply to loss or damage caused by malicious acts such as vandalism when committed by an employee of the Insured.

- (i) by centrifugal force, mechanical breakdown or derangement, latent defect, faulty materials, faulty workmanship, inherent vice, but this exclusion shall not apply to Part 6



(r); nor shall this exclusion apply to damages caused by or resulting from perils not otherwise excluded.

However, it is agreed that the exclusion for mechanical breakdown shall not be applied to loss or damage to the data processing systems including equipment and component parts thereof and data processing media therefore owned by, leased to, rented to or under the control of the Insured.

It is agreed, furthermore, mechanical breakdown shall not be excluded when the property is undergoing testing and commissioning procedures in connection with construction projects prior to final acceptance of such projects.

- (j) to “Building(s)” only, by normal settling, expansion, contraction, moving, shifting or cracking, unless caused by or resulting from a peril not otherwise excluded elsewhere in this Section of the Policy;
- (k) in whole or in part, by war, invasion, act of foreign enemy, hostilities (whether war be 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.
- (l) by mysterious disappearance or any loss or shortage of property disclosed on taking inventory;
- (m) by delay, loss of market or loss of use except as provided elsewhere in this Section of the Policy;
- (n) by Pollution. This Section of the Policy does not insure against:
  - (i) 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 or any resulting “Clean Up”, but this exclusion does not apply:
    - (a) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “Pollutants” is the direct result of a peril not otherwise excluded under this Section of the Policy;
    - (b) to loss or damage caused directly by a peril not otherwise excluded under this Section of the Policy;
  - (ii) 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”.
- (o) (i) with respect only to “Building(s)” as defined herein, directly or indirectly by explosion, collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless caused by or resulting from perils not otherwise excluded:
  - (a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
  - (b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
  - (c) other vessels and apparatus and pipes connected therewith, while under





pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds fifteen (15) pounds per square inch above atmospheric pressure but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 24 inches or less used for the storage of hot water for domestic use or from the explosion of gas and/or unconsumed fuel within the furnace of boilers or within the gas passages therefrom to the atmosphere;

- (d) moving or rotating machinery or parts thereof;
- (e) any vessels and apparatus and pipes connected therewith while undergoing pressure test but this exclusion does not apply to “Damage” to other property;
- (f) pressure test but this exclusion does not apply to “Damage” to other property;
- (g) gas turbines.

(ii) in respect only to “Contents” as defined herein:

- (a) to any pressure vessel having normal internal working pressure greater than fifteen (15) pounds per square inch above atmospheric pressure; directly to any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure, directly or indirectly, by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use; but this exclusion does not apply to manually portable gas cylinders nor to explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere nor to tanks having an internal diameter of 24 inches or less used for the storage of hot water for domestic use;

(iii) Notwithstanding anything to the contrary in Exclusion 5 (p), this Section of the Policy shall cover loss or damage:

- (a) caused directly or indirectly by an explosion of the pressurized fuel storage tanks of vehicles;
  - (b) escape of water from any heating, plumbing or air conditioning system or public watermain.
- (p) by wear and tear, gradual deterioration, latent defect, inherent vice, or the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design, provided, however, to the extent otherwise insured and not otherwise excluded under this Section of the Policy, resultant damage to the property is insured;
- (q) directly or indirectly, by vandalism and malicious acts by tenants occupying rented dwellings;
- (r) directly or indirectly, in whole or in part, by any activity relating to growing, manufacturing, processing, storing or distribution of any drug, narcotic or illegal substances or items of any kind, the possession of which constitutes a criminal offence, by any tenants occupying rented dwellings, regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage. This exclusion, however, does



not apply to ensuing loss or damage which results from fire or explosion of natural, coal or manufactured gas. This exception only applies to the extent that such loss or damage would otherwise be insured under this Section of the Policy.

- (s) to Building(s) only, by smoke from agricultural smudging or industrial operations.

## 6. Extensions of Coverage

The following extensions of coverage shall apply in addition to the Limits of Liability stated in the individual Certificates of Insurance, except with respect to (k) Debris Removal.

### a) Unnamed Locations Coverage - \$350,000 any one "Occurrence"

This extension insures property at any unnamed location other than a location with respect to which coverage is afforded elsewhere in this Section.

### b) Property in Transit - \$100,000 any one "Occurrence"

This extension insures property in transit including while in temporary storage locations in due course of transit and during loading and unloading.

Property in transit at the time when This Policy expires shall be held covered until such property has been duly delivered and accepted at place of final destination or until the Insured's interest in such property in transit ceases, whichever occurs first.

### c) Automatic Coverage - \$2,000,000 any one "Occurrence"

This extension automatically insures all newly acquired "Building(s)" and/or newly acquired or transferred "Contents". It is understood and agreed that notice of such acquisition/transfer shall be reported to the Insurer(s) or HUB International HKMB Limited, within sixty (60) days of such acquisition/transfer. Adjustment of premium if deemed necessary by the Insurer(s) shall be effected from the date of acquisition/transfer.

The coverage afforded by this extension does not apply to property to which coverage is afforded elsewhere in this Section of the Policy.

### d) Limited Business Income ("Business Income", "Church Income", "Extra Expense", and "Gross Rent and Rental Value")

The following extensions are subject to a combined blanket Limit of Liability of \$500,000, or as cited in each individual Certificate of Insurance, which shall apply as an additional amount of insurance to the Limits of Liability.

#### (i) "Business Income", including "Church Income"

**Indemnity Agreement** - In the event that the "Business" shall be interrupted as a direct result of "Damage", the Insurer shall pay to the Insured the loss of "Business Income" or "Church Income" suffered during the "Indemnity Period" in consequence thereof, in accordance with the terms and conditions of this Section of the Policy.

**Determination of Payment** - Coverage provided by this extension, subject to the limit of the amount of insurance stated in each individual Certificate of Insurance, is limited to loss of "Business Income" or "Church Income" due to (a) Reduction of "Revenue" and (b) Increase in Cost of Operations and the amount payable will be:



- a) IN RESPECT OF REDUCTION OF "REVENUE": The amount obtained by multiplying the "Revenue Shortfall" by the "Business Income Percentage";
- b) IN RESPECT OF INCREASE IN COST OF OPERATIONS: The additional expenditure necessarily incurred for the sole purpose of avoiding or diminishing the reduction in "Revenue" which but for that expenditure would have taken place during the "Indemnity Period" in consequence of the "Damage", but not exceeding the sum obtained by multiplying the amount of the reduction thereby avoided by the "Business Income Percentage";

less any sum saved during the "Indemnity Period" in respect of such of the charges and expenses of the "Business" payable out of "Business Income" or "Church Income" as may cease or be reduced in consequence of the "Damage".

(ii) **“Extra Expense”**

The “Extra Expense” necessarily incurred by the Named Insured as stated in each individual Certificate of Insurance in continuing as nearly as practicable the “Normal” “Business” activities of the Named Insured following loss or damage by a peril insured against to property situated at any “Premises” insured by this Section of the Policy.

This extension of coverage includes the cost of hiring temporary premises, when a civil authority prohibits access to the “Premises” of the Insured due to direct physical loss or damage by a peril insured against to neighbouring premises.

“Extra Expense” means the excess of the total cost of conducting the Insured's “Business” during the period required to repair or replace lost or damaged property over the total cost of conducting such “Business” that would have been incurred had no loss occurred. “Extra Expense” includes the reasonable extra cost of temporary repair, and of expediting the repair or replacement of such lost or damaged property of the Insured, including overtime and the extra cost of express or other rapid means of transportation. Any salvage value of property obtained for temporary use during the period of restoration, which remains after the resumption of “Normal” operations, shall be taken into consideration in the adjustment of any loss hereunder.

The period of restoration means that period of time required with due diligence and dispatch to repair, rebuild or replace such part of the property that has been lost or damaged and will not be limited by the date of expiration of This Policy, to resume “Normal” operations at the location insured.

(iii) **Gross Rent and Rental Value Insurance**

This extension covers the loss of "Gross Rent or Rental Value" caused by the destruction or damage by the perils insured occurring during the Policy Period, to property at the "Insured Location(s)" as cited in the individual Certificate of Insurance.

**Measure of Recovery** - The measure of recovery in the event of loss hereunder shall be the reduction in "Gross Rent and Rental Value" directly resulting from the insured property being untenable solely and directly due to destruction or damage by the perils insured against to the “Building(s)” cited in the individual Certificate of Insurance, less charges and expenses which do not necessarily continue during the period the property is so untenable, for not exceeding such length of time as would be required with the exercise of due diligence and dispatch to repair, replace, construct or reconstruct such part of the “Building(s)” cited in the individual Certificate of Insurance, as has been destroyed or damaged, commencing with the date of such destruction or damage and limited to a period of twelve consecutive calendar months from the date of such destruction or damage, but not exceeding the ACTUAL LOSS SUSTAINED by the Insured

resulting from the “Building(s)” being untenable.

**Additional Exclusion** - The Insurer(s) shall not be liable for loss due to the suspension, lapse or cancellation of any lease or license or contract which may affect the Insured’s rent or rental value after the period following any loss during which indemnity is payable.

**The following terms apply to (i) “Business Income”, including “Church Income”, (ii) “Extra Expense”, and (iii) “Gross Rent and Rental Value”:**

**BYLAWS** - The Insurer shall be liable for increased loss as a result of reconstruction of the insured “Premises” being delayed or the term of reconstruction extended due to the application of any by-laws, laws, regulations, or ordinances regulating zoning, demolition, repair or reconstruction.

**OBLIGATION TO MINIMIZE LOSS** - In the event of "Damage" in consequence of which a claim is or may be made under this Section of the Policy, the Insured shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any interruption of or interference with the "Business" or to avoid or diminish the loss.

**Limitation – Media for Electronic Data Processing**

With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, including data thereon, by the peril(s) insured against, the length of time for which the Insurer(s) shall be liable hereunder shall not exceed:

- (a) 30 consecutive calendar days; or
- (b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed,

whichever is the greater length of time.

**Interruption by Civil Authority: – 4 weeks**

Coverage is extended to include the actual loss sustained as insured hereunder during the period of time, not exceeding four weeks, while access to the described “Premises” is prohibited by order of civil authority, but only when such order is given as a direct result of damage to neighbouring premises by a peril insured against.

**Off-Premises Power Interruption: - \$100,000 any one “Occurrence”**

The Insurer agrees, subject to the limitations and conditions of this Section of the Policy, to indemnify the Insured for loss of income resulting from damage to, or destruction of off-premises public utility plants, transformer or switching stations, sub-stations, transformers or pumping stations furnishing heat, light, power, water or gas to the “Premises” described on the individual Certificate of Insurance. Such damage or destruction must be due to a peril insured against, but excluding loss resulting from damage to or destruction of off-premises poles, towers, or transmission or distribution lines.

- (e) **“Ordinary Payroll” Expense - Applicable only to those Individual Certificate Holders where “Ordinary Payroll” Expense is specifically shown as included, for the amount specified.**

In the event that the "Business" shall be interrupted as a direct result of "Damage", the Insurer(s)



shall be liable for "Ordinary Payroll" Expense which must necessarily continue during the interruption of "Business".

Such expense shall be limited to ninety (90) consecutive calendar days immediately following the date of the "Damage" to or destruction at the "Insured Location".

"Ordinary Payroll" means the entire payroll expense for all the employees of the Insured, except officer, executives, department managers, employees under contract and other important employees whose services would not be dispensed with should the "Business" be interfered with or interrupted.

(f) **"Valuable Papers and Records" - \$50,000 any one "Occurrence"**

This extension covers the additional expense necessarily incurred in the reproduction of "Valuable Papers and Records".

"Valuable Papers and Records" means, written, printed or otherwise inscribed documents and records, including abstracts, deeds, mortgages, manuscripts, books, drawings, sketches, maps, plans, surveys, blueprints, films, linens, scale models, photographs and photographic reproductions, and similar property.

(g) **"Fine Arts" - \$50,000 any one "Occurrence" unless otherwise stated in the individual Certificate of Insurance**

This extension insures loss or damage to "Fine Arts" and provided that an appraisal exists, settlement shall be based on the appraised value of the property at the time such loss or damage occurs. Should a current appraisal of the damaged or destroyed property not be readily available, settlement shall be based on market value as determined by a competent and disinterested expert acceptable to both the Insured and the Insurer(s). In the event of loss or damage to parts of a set or pair of items and at the option of the Insured settlement shall be ascertained on the basis for a constructive total loss. The value of the remaining parts of the pair or set shall be determined by an expert as described above and the insured shall be entitled to keep the remaining parts after deduction of such valuation from the amount of the claim.

(h) **Fire Fighting Expense - \$150,000 any one "Occurrence"**

This extension insures any fire fighting expenses incurred by the Insured, including, but not limited to materials, personnel costs, accidental discharge of firefighting equipment and expenses assessed against the Insured.

Coverage shall also apply where fire fighting at premises not covered by this Section of the Policy is necessary to protect the insured property.

(i) **Lawns, Trees, Shrubs and Other Outdoor Plants - \$25,000 any one "Occurrence"**

This extension insures loss or damage to lawns, trees, shrubs and other outdoor plants.

(j) **Personal Effects - \$10,000 each person/\$50,000 each "Occurrence"**

This extension insures loss or damage to personal effects (excluding Ministers Personal Effects as otherwise covered in Part (aa) of this Section of the Policy) in or on the "Premises" insured by this Section of the Policy. Coverage shall apply at the option of the Insured and losses, if any, shall be adjusted with and payable to the Insured. Coverage on such personal effects shall not attach if the property is insured by the owner, unless the Insured is under obligation to keep the property insured or is legally liable for its loss or damage.

**(k) Debris Removal**

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

The amount payable under this extension shall not exceed 25% of the sum of the total amount payable for direct loss or damage to insured property and the amount of the applicable deductible.

This extension further provides an additional amount for debris removal expense of not more than \$50,000 in any one "Occurrence", over and above the 25% limit set out in this extension or, if exhausted, the policy limit.

Debris removal expense shall not be considered for the purpose of applying any Co-Insurance Clause.

The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this Section of the Policy but which has been blown by windstorm upon a location specified on the individual Certificate of Insurance.

This extension of coverage does not apply to costs or expenses:

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

**(l) Building Damage by Theft**

This extension insures "Damage" to that part of any building rented, leased or occupied by the Insured as a tenant resulting from theft or any attempt thereat and from vandalism or malicious acts committed on the same occasion provided the Insured is liable for such "Damage" either at law or by the terms of any rental or lease agreement.

**(m) Radioactive Contamination - \$100,000 any one "Occurrence" and Annual Aggregate.**

This extension covers the sudden and accidental radioactive contamination, including resultant radiation damage, from material used or stored or from processes conducted on the "Premises", provided that at the time of such loss there is neither a nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction nor any new or used nuclear fuel on the "Premises".

**(n) Damage to Vehicles Belonging to Others**

At the option of the Insured, this extension insures the loss of or damage to any vehicle(s) belonging to others while on the "Premises" of the Insured for the purpose of loading and unloading, when the Insured is liable for such "Damage". This extension shall apply only to loss or damage caused by Fire, Lightning, Smoke, Windstorm, Hail, Explosion, Strike, Riot, Civil Commotion, impact by vehicles (except by licensed vehicles belonging to or under the control of the Insured) or aircraft, vandalism or malicious acts and "Leakage from Fire Protective Equipment".



**(o) Professional Fees - \$100,000 any one “Occurrence”**

This extension insures such fees and other charges incurred by the Insured solely in order to establish, prepare and verify a claim in respect of a loss covered by this Section of the Policy; repair or replace the damaged property, and/or establish the quantum of any loss covered by this Section of the Policy.

However, it is agreed that this extension of coverage does not include any fees or other charges incurred by any Public Adjuster.

**(p) Dwellings**

This extension insures dwellings for direct loss or damage caused by the perils defined as follows:

**(1) Freezing**

By the freezing of a heating, or air conditioning system, but excluding loss caused by or resulting from freezing occurring at any time during the usual heating season while all the inhabitants are absent from the "Building(s)" insured or containing the property insured. This exclusion does not apply if the Insured establishes that:

- (A) the inhabitants were not absent for a period in excess of four consecutive days (96 hours); or
- (B) the water supply was shut off and the system drained; or
- (C) provision had been made that the dwelling be entered daily by a competent person to ensure that heating was being maintained.

**(2) Rupture**

The sudden and accidental tearing as under, cracking, burning or bulging of a heating or air conditioning system or an appliance for heating water, but excluding loss or damage:

- (A) caused by or resulting from freezing;
- (B) to the system or appliance caused by rust or corrosion.

**(q) Accounts Receivable - \$50,000 any one “Occurrence”**

This extension insures:

- (i) all sums due to the Insured from customers or others, provided the Insured is unable to effect collection thereof as the direct result of loss of or damage to records of Accounts Receivable;
- (ii) interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage;
- (iii) collection expense in excess of normal collection cost and made necessary because of such loss or damage;
- (iv) other expenses when reasonably incurred by the Insured in re-establishing records of Accounts Receivable following such loss or damage.



**(r) E.D.P. Insurance - \$200,000 any one “Occurrence”**

This extension insures:

- (i) Data Processing Systems including equipment and component parts thereof, and air conditioning and electrical equipment used exclusively in data processing operations, the property of the Insured or of others for which the Insured is liable or has assumed liability or in which the Insured has any insurable interest. The term data processing system shall include but not be limited to electronic equipment such as word processing, telephone, switchgear and the like.
- (ii) Electronic media, including converted data, owned by the Insured or property of others for which the Insured may be legally liable;
- (iii) “Extra Expense”, necessarily incurred by the Insured in order to continue as nearly as practicable the “Normal” operations which are interrupted due to the property insured hereunder as a result of loss or damage by a peril insured;
- (iv) Halon and carbon dioxide discharge systems, the Insurer(s) agree(s) in addition to the Limit(s) of Liability cited elsewhere in this Section of the Policy, to pay expenses incurred by the Insured in refilling their halon or carbon dioxide discharge system following accidental discharge or discharge as intended.

**(s) Construction Projects - \$2,000,000 any one “Occurrence”**

(1) This extension insures property during the course of construction including:

- (i) the insurable interest of contractors (including subcontractors) in alterations and repairs of existing “Building(s)”, fixtures and equipment, new “Building(s)” and structures in course of construction and fixtures and equipment to be installed therein or thereon, including materials and supplies therefore, but only to the extent that the Insured has, prior to loss, agreed to keep such interests insured or for which the Insured is legally liable.

In no event shall this extension apply to contractors' buildings or construction equipment, the capital cost of which is not included in the cost of new construction.

- (ii) all contractors (including subcontractors) for whom the Insured has agreed to provide insurance are added as Additional Insureds.

It is understood and agreed that notice of such construction shall be filed with the Insurer(s) or HUB International HKMB Limited within 90 days after commencement of such construction FOR SUCH PROJECTS IN EXCESS OF one hundred thousand dollars (\$100,000). Adjustment of premium if deemed necessary by the Insurer shall be effected from the date of the inception of the construction.

(2) Additional Exclusion:

This extension does not cover the cost of making good faulty or defective workmanship, material, construction or design, but this exclusion shall not apply to “Damage” resulting from such faulty or defective workmanship material, construction or design.

It is understood and agreed that the right of Insurers to subrogate against Consulting Engineers or Consulting Architects, hired on new construction projects by the Insured is hereby admitted in respect to above.



**(t) Lock/Key Insurance - \$25,000 any one “Occurrence”**

This extension insures the loss caused by the necessary replacement of locks and keys and the adjustment of locks to accept new keys following burglary, robbery or mysterious disappearance.

**(u) Consequential Loss Assumption (Including Off Premises Power) - \$100,000 any one “Occurrence”**

This extension insures consequential loss, destruction or damage to “Contents”, due to a change in temperature, caused by the perils insured against, to the refrigerating or cooling apparatus, connections or supply pipes and apparatus furnishing power thereto, situated on the “Premises” described on the “Declarations Page” of each individual Certificate of Insurance and/or to off premises public utility plants, substations, transformer or switching stations or transformers furnishing electrical heat, light or power to the “Premises” described on the “Declarations Page” of each individual Certificate of Insurance, but excluding loss resulting from damage to or distribution of off-premises poles, towers, or transmissions or distribution lines.

**(v) Expediting Expenses - \$50,000 any one “Occurrence”**

This extension insures such extra expenses as are necessarily incurred for the purposes of expediting reinstatement of the Insured's “Premises” and/or facilities as a result of a covered loss.

**(w) Automatic Fire Suppression - \$50,000 any one “Occurrence”**

This extension insures any automatic fire suppression system recharge expense incurred by the Insured due to leakage or discharge of the fire suppressant within any automatic fire suppression system at the “Premises” of the Insured where such discharge or leakage is caused by or results from a peril insured.

**(x) First Party Land and Water Pollution Clean Up and Removal - \$100,000 any one “Occurrence” and Annual Aggregate.**

The Insurer will indemnify the Insured for expenses incurred to “Clean Up” “Pollutants” from land or water at the “Premises” provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of “Pollutants”:

- (i) is occasioned by loss or damage to property insured at the “Premises” for which insurance is afforded under the policy to which this clause is attached;
- (ii) is sudden, unexpected and unintended from the standpoint of the Insured; and
- (iii) first occurs during the Policy Period.

The maximum amount of insurance under this extension during any one Policy Period shall not exceed \$100,000.

Notwithstanding the Reinstatement Clause in the policy to which this clause is attached, following a loss under this Section of the Policy the amount of insurance specified on the individual Certificate of Insurance for this clause will be reduced by the amount payable.

It is a condition precedent to recovery under this extension that all expenses must be incurred and reported to the Insurer within 180 days of the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of “Pollutants” for which “Clean Up” expenses are being claimed.

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

**Additional Exclusions:**

The Insurer shall not be liable for:

- (a) expenses for "Clean Up" away from or beyond the "Premises" resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants", even if the "Pollutants" emanated from the "Premises";
- (b) expenses for "Clean Up" of any spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "Pollutants" that began before the effective date of This Policy;
- (c) fines, penalties, punitive or exemplary damages;
- (d) expenses incurred for the "Clean Up" of "Pollutants" at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, processing or treatment of waste.

**Definitions:**

Wherever used in this extension:

- (a) "Clean Up" means the removal, containment, treatment, detoxification, stabilization, neutralization or remediation of "Pollutants", including testing which is integral to the aforementioned process.
- (b) "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.

**(y) Cemetery Property - \$25,000 any one "Occurrence"**

This extension insures loss or damage to cemetery property owned or controlled by the Insured as scheduled on the individual Certificate of Insurance. Coverage shall apply at the option of the Insured and losses, if any shall be adjusted with and payable to the Insured. Coverage on such cemetery property shall not attach if the property is insured by any other policy, unless the Insured is under obligation to keep the property insured or is legally liable for its loss or damage.

**(z) Worldwide Property Floater – Sub-limit \$25,000 any one "Occurrence" and Annual Aggregate**

This extension insures loss or damage to property owned by Insured while traveling on "Business" anywhere in the world.

**(aa) Ministers Personal Effects - \$5,000 each person/\$50,000 each "Occurrence"**

This extension insures loss or damage to Ministers personal effects in or on the "Premises" insured by this Section of the Policy. Coverage shall apply at the option of the Insured and losses, if any shall be adjusted with and payable to the Insured. Coverage on such personal effects shall not attach if the property is insured by the owner, unless the Insured is under obligation to keep the property insured or is legally liable for its loss or damage.

**7. Definitions**

- (A) "Annual Revenue" means the "Revenue" during the twelve months immediately before the date of the "Damage" to which such adjustments shall be made as may be necessary to provide for the trend of the "Business" and for variations in or other circumstances affecting the "Business" either before or after the "Damage" or which would have affected the "Business" had the "Damage" not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the "Damage" would have been obtained during the relative period after the "Damage".
  - (B) "Building(s)" means:
    - i) Completed additions;
    - ii) Outbuildings, garage, storage "Building(s)" and other structures located on the "Premises";
    - iii) Permanently installed fixtures including, but not limited to: pews, clocks, chimes, bells, sound communication equipment, railings, alters, pulpits, baptism tanks, floor coverings, machinery, equipment and outdoor fixtures including exterior signs and lighting fixtures;
    - iv) Pipe Organs including all related equipment (subject to a maximum limit of insurance as stated in the individual Certificate of Insurance);
    - v) Stained or engraved glass (subject to a maximum limit of insurance as stated in the individual Certificate of Insurance);
    - vi) Glass (excluding stained/engraved glass);
    - vii) Manses/Rectories (subject to a maximum limit of insurance as stated in the individual Certificate of Insurance).
  - (C) "Business" means the business of the Insured as specified on the "Declarations Page".
  - (D) "Business Income" means the amount by which:
    - i) the sum of the "Revenue" and the amounts of closing stock and work in progress shall exceed
    - ii) the sum of the amounts of opening stock and work in progress and the amount of the "Variable Operating Expenses".
- Note: The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for the depreciation.
- (E) "Business Income Percentage" means the percentage obtained by dividing the "Business Income" by the "Revenue" during the financial year immediately before the date of the "Damage" to which such adjustments shall be made as may be necessary to provide for the trend of the "Business" and for variations in or other circumstances affecting the "Business" either before or after the "Damage" or which would have affected the "Business" had the "Damage" not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the "Damage" would have been obtained during the relative period after the "Damage".
  - (F) "Church Income" means the amount by which the church collections, and generally all forms of income may, during the period required with the exercise of the due diligence and dispatch for the restoration of the insured property, fall short of the average amount of such income over the same period during the three preceding years.



- (G) "Contents" means:
- i. Personal property belonging to religious leaders and employees residing in the manses/rectories (subject to a maximum limit of insurance as stated in the individual Certificate of Insurance);
  - ii. Religious apparel and religious artifacts, including, but not limited to, chalices, patens, ciboria, candelabra, collection plates excluding "Fine Arts" as defined herein;
  - iii. Furniture and fixtures;
  - iv. Machinery and equipment; equipment means:
    - a. Generally all contents usual to the insured's operations including furniture, furnishings, fitting, fixtures, machinery, tools, utensils and appliances, other than "Building(s)" or Stock;
    - b. Similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable.
  - v. Glass, excluding stained/engraved glass, if the Insured occupies the "Premises" as a tenant and is legally liable to insure;
  - vi. 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 the tenant's improvements made by a predecessor tenant, this form applies as though such tenant's improvements had been made by the Insured.
  - vii. Similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable;
  - viii. Stock, meaning merchandise held in storage or for sale, raw materials and unprocessed or finished goods, including supplies used in their packing or shipping.
- (H) "Damage" means the direct physical loss of or damage to property at the "Premises" from a peril insured.
- (I) "Declarations Page" means the Declarations page of each individual Certificate of Insurance issued and forming part of This Policy.
- (J) "Expected Revenue" means the "Revenue" during the period corresponding with the "Indemnity Period" in the twelve months immediately before the date of the "Damage" to which such adjustments shall be made as may be necessary to provide for the trend of the "Business" and for variations in or other circumstances affecting the "Business" either before or after the "Damage" or which would have affected the "Business" had the "Damage" not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the "Damage" would have been obtained during the relative period after the "Damage".

(K) "Earthquake"

For the purposes of this Section of the Policy, earthquake shall include snowslide, landslide or other earth movements occurring concurrently with and directly resulting from an earthquake shock.

Each loss caused by earthquake shall constitute a single claim hereunder, provided that more than one earthquake shock occurring within any 168 consecutive hours during the term of This Policy shall be deemed as a single earthquake within the meaning thereof. Notwithstanding the foregoing, the Insurer shall not be liable for any loss or damage caused by any earthquake shock occurring before This Policy becomes effective nor for any loss or damage caused by any earthquake shock occurring after the expiration of This Policy.

For the purposes of the applicable deductible, "Earthquake" does not include ensuing damage which results from fire, explosion, "Smoke", "Leakage from Fire Protective Equipment" or theft.

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

(M) "Flood" means water or natural precipitation temporarily diffused over the surface of the ground, waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water. "Flood" shall not mean loss or damage:

- (i) caused by escape of water from an elevated water tank maintained on the "Premises" wholly or partially for fire fighting purposes; or
- (ii) to property in transit including while in temporary storage locations in due course of transit; or
- (iii) resulting from an ensuing peril not excluded elsewhere in this Section of the Policy.

(N) "Flood Occurrence" means all flooding which occurs within any 168 consecutive hours commencing during the Policy Period on or after the inception date. The expiration of This Policy will not reduce the 168 hour period.

(O) "Gross Rent and Rental Value" means the sum of:

- (A) the actual total annual gross rent or rental value of the occupied portion or portions of the property;
- (B) the estimated annual rental value of the unoccupied portion or portions of the property; and
- (C) a fair rental value of the portion, if any, of the property occupied by the Insured.

- (P) "Indemnity Period" means the period beginning with the "Occurrence" of the "Damage" and ending not later than such length of time, not exceeding 12 consecutive calendar months, as would be required with exercise of due diligence and dispatch to rebuild, repair or replace the lost or damaged property. However, if media for, or programming records pertaining to, electronic data processing or electronically controlled equipment including data thereon be lost or damaged by a peril insured against then the "Indemnity Period" in respect thereof shall not extend beyond:
- i) 30 consecutive days after the "Occurrence" of such "Damage"; or
  - ii) the date upon which liability ceases under this Section of the Policy for loss arising from other property lost or damaged by the same "Occurrence";
- whichever shall be the later.
- (Q) "Normal" means the condition which would have existed had no loss occurred.
- (R) "Occurrence" means any one loss, casualty or disaster or series of losses, casualties or disasters arising out of one event.
- (S) "Revenue" means the money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the "Business" at the "Premises" after allowing for returns and discounts.
- (T) "Premises" or "Insured Location" means the entire area within the property lines at the location herein described, including areas under adjoining sidewalks and driveways and in or on vehicles within 100 meters (328 feet) of such location.
- (U) "Property of Every Description" means all property of every kind and description (except as excluded or limited herein), the property of the Insured or of others for which the Insured is liable or has assumed liability or in which the Insured has any insurable interest or for which they have agreed to provide insurance located anywhere in the Policy Territory, including while in transit and including but not limited to property in course of construction, installation and undergoing testing and commissioning.
- (V) "Revenue Shortfall" means the amount by which the "Revenue" during the "Indemnity Period" in consequence of the "Damage" falls short of the "Expected Revenue".
- (W) "Sewer Back-Up" means loss or damage caused directly or indirectly by the backing-up of sewers, sumps, septic tanks or drains.
- (X) "Variable Operating Expenses" means:
- i) all purchases (less discounts received);
  - ii) packing materials;
  - iii) delivery and freight (other than by own vehicles);
  - iv) any other item specified as Additional Variable Operating Expenses.

Note: The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Insured.

## 8. Data Exclusion

The following items A and B apply to all types of property except Accounts Receivable, Valuable Papers and Electronic Data Processing Equipment and Electronic Data Processing Media.

- A.1. (a) This Section of the Policy does not insure "Data".
- (b) This Section of the Policy does not insure loss or damage caused directly or indirectly by "Data Problem", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage. However, if loss or damage caused by "Data Problem" results in the occurrence of further loss of or damage to property insured that is directly caused by "Insured Peril", as defined in this clause, or by the escape of water from any tank, apparatus or pipe, exclusion A.1.(b) shall not apply to such resulting loss or damage. This exception only applies to the extent that such resulting loss or damage would otherwise be insured under Section II - Property Insurance.
- A.2 The following paragraph is deleted from any section to which this clause applies:  
"Nor does this form insure disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning".
- A.3 Paragraph (b) of Basis of Loss Settlement Clause is amended to read as follows:
- (b) Records:
- The liability of the Insurer for loss or damage to:
- (i) books of accounts, drawings, card index systems and other records, other than as described in (ii) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;
- (ii) media, data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment, notwithstanding that "Data" is not insured, shall not exceed the cost of reproducing such media, data storage devices, and programme devices from duplicates or from originals of the previous generation of the media, but no liability is assumed hereunder for the cost of gathering or assembling information or "Data" for such reproduction.
- Whichever of the above is applicable shall be the basis to be adopted for the purpose of applying Co-Insurance.
- B.1 Subject to (a) and (b) following, the Insurer shall not be liable for "Extra Expense", loss of "Business Income", loss of "Church Income", loss of "Gross Rent and Rental Value" or any other loss attributable to the interruption of "Business", directly or indirectly caused by "Data Problem", regardless of any other cause or event that contributes concurrently or in any sequence to a "Data Problem".
- (a) If "Data Problem" results in direct physical loss of or damage to property at the "Premises" caused by an "Insured Peril", as defined in this clause, or by the escape of water from any tank, apparatus or pipe, this exclusion B.1. shall not apply to resulting "Extra Expense", loss of "Business Income", loss of "Church Income", loss of "Gross Rent and Rental Value", or any other loss attributable to the interruption of "Business",



suffered through such resulting loss or damage. This exception only applies to the extent that such loss would otherwise be insured under Section II - Property Insurance.

- (b) If "Data Problem" is the direct result of:
  - (i) an "Insured Peril", as defined in this clause;
  - (ii) the escape of water from any tank, apparatus or pipe;
  - (iii) "Earthquake", but only if the section to which this clause is applicable provides "Earthquake" coverage;
  - (iv) "Flood", but only if the section to which this clause is applicable provides "Flood" coverage;
  - (v) "Sewer Back-Up", but only if the section to which this clause is applicable provides "Sewer Back-Up" coverage;

at the "Premises", this exclusion B.1. shall not apply. This exception only applies to the extent that such loss would otherwise be insured under Section II – Property Insurance.

B.2. The following paragraph is deleted from any section to which this clause is applicable:

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

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

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

- (a) If loss or damage by "Data Problem" results in the occurrence of further loss of or damage to property insured that is directly caused by an "Insured Peril", as defined in this clause, or by the escape of water from any tank, apparatus or pipe, this exclusion C.1 shall not apply to such resulting loss or damage. This exception only applies to the extent that such resulting loss or damage would otherwise be insured under Section II – Property Insurance.
- (b) If "Data Problem" is the direct result of:
  - (i) any "Insured Peril", as defined in this clause;
  - (ii) the escape of water from any tank, apparatus or pipe;
  - (iii) "Earthquake", but only if the section to which this clause is applicable provides "Earthquake" coverage;
  - (iv) "Flood", but only if the section to which this clause is applicable provides "Flood" coverage;
  - (v) "Sewer Back-Up", but only if the section to which this clause is applicable provides "Sewer Back-Up" coverage;

at the "Premises", this exclusion C.1. shall not apply. This exception only applies to the extent that such loss would otherwise be insured under Section II – Property Insurance.



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

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

**Definitions**

1. Wherever used in this clause, or wherever used in any policy to which this clause is applicable, "Data" means representations of information or concepts, in any form.
2. Wherever used in this clause: "Data Problem" means:
  - (i) erasure, destruction, corruption, misappropriation, misinterpretation of "Data";
  - (ii) error in creating, amending, entering, deleting or using "Data"; or
  - (iii) inability to receive, transmit or use "Data".
3. "Insured Peril" means:
  - A. Fire or Lightning;
  - B. Explosion

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

1. (a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
- (b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from any 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 there from;
- (d) smelt dissolving tanks.
2. other vessels and apparatus, and pipes, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;



3. moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;

any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosions;

4. gas turbines.

The following are not explosions within the 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 term "Aircraft" and "Spacecraft" include articles dropping therefrom.

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

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

D. Smoke

The term "Smoke" means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability hereunder for any cumulative damage.

E. Leakage from Fire Protective Equipment

The term "Leakage from Fire Protective Equipment" means the leakage or discharge of water or other substance from within the equipment used for fire protection purposes for the "Premises" described on the "Declarations Page" of each individual Certificate of Insurance or for adjoining premises and loss or damage caused by the fall or breakage or freezing of such equipment.

F. Windstorm or Hail

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

- (a) to the interior of the "Building(s)" insured or their "Contents" unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
- (b) directly or indirectly caused by any of the following whether driven by wind or due to windstorm or not: snow-load, ice-load, "Flood", waterborne objects, ice, land subsidence, landslide.

**9. Terrorism Exclusion: (Property and Limited Business Income)**

1. This Section of the Policy does not insure loss or damage caused directly or indirectly, in whole or in part, by "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.
2. The Insurer shall not be liable for "Extra Expense", loss of "Business Income", loss of "Church Income", loss of "Gross Rent and Rental Value", or any other loss attributable to the interruption of "Business", provided such coverage is currently included in the policy to which this clause is attached, resulting from loss or damage caused directly or indirectly, in whole or in part, by "Terrorism", or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.
3. 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.
4. The following definition is added wherever used in this exclusion, or wherever used in any other exclusion or in any policy to which this exclusion is applicable. "Terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public.

**10. Fungi and Fungal Derivatives Exclusion**

1. This Section of the Policy does not insure:
  - (a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "Fungi" or "Spores" unless such "Fungi" or "Spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this Section of the Policy;
  - (b) the cost or expense for any testing, monitoring, evaluating or assessing of "Fungi" or "Spores".
2. The Insurer shall not be liable for "Extra Expense", loss of "Business Income", loss of "Church Income", loss of "Gross Rent and Rental Value", or any other loss attributable to any interruption of "Business", provided such coverage is currently included in the policy to which this clause is attached, resulting from loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "Fungi" or "Spores" unless such "Fungi" or "Spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this Section of the Policy.
3. The following definitions are added:

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

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



- (b) "Spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "Fungi".

**11. Stated Amount Co-Insurance Clause**

It is part of the consideration of This policy and the basis upon which the rate of premium is fixed, that the Insured shall maintain insurance by or concurrent with This policy in form, range and wording, on the property insured under the individual Certificate of Insurance , so that the total amount of insurance on the said property shall be not less than that which is set out on the individual Certificate of Insurance including the amount of insurance effected by this Section of the Policy.

The rate of premium being based, in accordance with a statement of values, on the maintenance of a minimum amount of insurance, the Insured undertakes to furnish a new statement of values whenever requested, and based on such statement of values, agrees to revision by endorsement of the amount of total concurrent insurance required to be maintained by the terms of the Stated Amount Co-Insurance Clause in this Section of the Policy. Nothing herein shall, however, be deemed to alter the amount insured under this Section of the Policy unless the amount insured is changed by endorsement hereon.

**12. Release and Subrogation**

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

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

The Insurer(s) hereby waive their rights of subrogation against:

- (a) Any Partner, Officer, Director, Stockholder, Member, Church Official, Adherent, Board of Trustees or any member thereof, Clergy, Employee or Volunteer of the Insured;
- (b) Other organizations or interests that are owned, controlled, operated, affiliated and/or receive major part of financial support or direction from any one or more of the Named Insured;
- (c) Social Clubs and Staff Associations of the Named Insured;
- (d) Any Employee, Director, Partner, Officer, Trustee or Volunteer of (a), (b), or (c) above.

The net amount recovered after deducting the costs of recovery shall first be used to provide the Insured with a complete indemnity and any balance remaining shall be paid to the Insurer(s).

**13. Reinstatement of Limits**

The limit for this Section of the Policy shall not be reduced by any payment for loss or damage; however, this shall not serve to alter any aggregate provisions stated.

**14. Unearned Premium**

If, as a result of an insured loss there is a reduction in the insured values, this Section of the Policy insures the pro rata unearned premium on the values reduced by the loss.

**15. Waiver of Term or Condition**

No term or condition of this Section of the Policy shall be deemed to be waived by the Insurer(s) in whole or in part unless the waiver be clearly expressed in writing and signed by the person(s) authorized by the Insurer(s). Neither the Insurer(s) nor the Insured shall be deemed to have waived any term or condition of this Section of the Policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this Section of the Policy.

**16. Sprinkler Maintenance Clause**

The Insured shall as soon as practicable notify the Insurer(s) or HUB International HKMB Limited of any interruption to or flaw or defect in any sprinkler system on the insured “Premises” coming to the knowledge of the Insurance Property Officer of The United Church of Canada.

**17. Notice to Authorities**

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

**18. Sue and Labour**

In case of loss or damage or threatened loss or damage it shall be lawful and necessary for the Insured, their factors, servants or assigns to sue, labour and travel for, in and about the defence, safeguard and recovery of the property insured hereunder, or any part thereof, without prejudice to this insurance; nor shall the acts of the Insured or the Insurer(s) in recovering, saving and preserving the property insured in case of loss or damage shall not be considered a waiver or an acceptance of abandonment. The Insurer(s) will contribute pro rata towards any reasonable and proper expenses in connection with the foregoing, according to the respective interests of the parties.

**19. Other Insurance**

If, at the time of loss there is other insurance covering the interest of a Named Insured or Unnamed Insured or any other interested party which would apply in the absence of this Section of the Policy, this insurance shall apply only as excess insurance over such other insurance. However, if this Section of the Policy provides coverage that is broader in scope than the other insurance, this insurance will respond on a difference in conditions basis.

**20. Breach of Conditions**

Where a loss occurs and there has been a breach of a condition relative to a matter before the happening of a loss, which breach would otherwise disentitle the Insured to recover under this Section of the Policy, the breach shall not disentitle the Insured to recover unless the Insurer(s) establishes that the loss was caused or contributed to by the breach of conditions.

In addition, any breach of such conditions shall be read distributively so that in the event of a loss, breach of such conditions in any portion of the property neither damaged nor destroyed, shall not disentitle the Insured to recover in respect of a claim for loss to other portions of the property hereby covered that are damaged or destroyed, but in which no breach of such conditions has occurred.

Notwithstanding anything contained elsewhere in this Section of the Policy, any act or any breach of a condition of this Section of the Policy or any breach of condition occurring in any portion of the “Premises” over which the Insured has no control, shall not prevent recovery by any Insured

who is innocent of such act or breach.

**21. Ownership Clause**

This insurance shall not be invalidated if the interest of the Insured be other than sole or unconditional ownership.

**22. Errors and Omissions**

Any error and/or omission in the name of the Insured or the description, location or values reported or incorrect deletion shall not void or impair the insurance hereunder provided the Insured reports such error, omission or deletion as soon as practicable after discovery. Additional or return premium shall be calculated at an appropriate basis as required.

**23. Liberalization Clause**

Notwithstanding anything that may appear to the contrary anywhere in this Section of the Policy, the coverage afforded by this Section of the Policy shall not be more restrictive than the coverage provided by a standard policy covering the IBC Fire and Extended perils including malicious damage/vandalism.

**24. Notice(s)**

It is agreed that any notice(s) required by this Section of the Policy to be given to the Insurer(s) shall be given by the Insured through the Insurance and Property Officer of The United Church of Canada or HUB International HKMB Limited, Toronto, Ontario.

**25. Disputed Loss Agreement**

In the event a recoverable loss exists, should a dispute arise between Property and Boiler and Machinery Insurers as to which Insurer is liable or as to the proportion of the loss to be paid by each Insurer, the Insurance Bureau of Canada "Agreement Respecting Disputed Losses Between Property Insurance and Boiler and Machinery Insurance Policies" shall, at the Insured's option, apply. The said agreement shall apply whether or not an Insurer is signatory to said Agreement.

**26. Statutory Conditions**

This Section of the Policy is subject to the attached "Statutory Conditions" applicable to insurance in all Provinces except Quebec and to the "General Conditions" applicable to insurance in the Province of Quebec. In the event of there being any conflict between the "Statutory Conditions" - "General Conditions" and the terms and conditions recited herein, the latter shall be deemed to govern if in favour of the Insured.

**27. Law of the Province**

This Section of the Policy shall be subject to the law of the Province in which the property insured is located.

**28. Severability of Interest**

Coverage under this Section of the Policy applies individually as to the interest of each individual Insured and shall apply in the same manner and to the same extent as if a separate policy had been issued to each individual Insured. Any act by one Insured that would disentitle that Insured to the coverages provided by this Section of the Policy shall not disentitle any other Insured to coverage. This provision shall not be deemed to increase the amount or the Limit of Liability stated herein.

**29. Basis of Loss Settlement**

- (a) It is understood and agreed, at the request of the Insured and as a result of destruction or damage by a peril insured against under this Section of the Policy, settlement shall be based on the cost of repairing, replacing, constructing or reconstructing (whichever is the least) the property with new materials of like kind and quality and for like occupancy without deduction for depreciation, including the cost of skilled labour or authentic materials necessary to restore designated Heritage “Building(s)” and “Contents” to their original condition.

The foregoing shall be subject otherwise to all the terms, conditions and limitations of this Section of the Policy including Endorsements thereon and to the following:

- (i) the repair, replacement, construction or reconstruction must be executed by the Insured with due diligence and dispatch;
  - (ii) until repair, replacement, construction or reconstruction has been effected by the Insured, liability shall be that which would have existed had this clause not been in effect. Liability shall in no event exceed the actual expenditure for repair, replacement, construction or reconstruction.
  - (iii) failing compliance by the Insured with any of the foregoing provisions, the basis of evaluation shall be actual cash value;
  - (iv) if two or more items are insured, the foregoing shall apply separately to each item to which this clause applies;
  - (v) where the individual Certificate of Insurance specifies actual cash value on certain property, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair the same with material of like kind and quality.
- (b) Except as may be specified elsewhere in this Section of the Policy:
- (i) it is understood and agreed that at the request of the Insured, settlement shall be based on the cost of blank books, blank pages or other materials, plus the cost of labour for reconstructing or actually transcribing or copying said records, books of accounts, drawings, card index systems and other records, other than as described in (ii) below;
  - (ii) in case of loss, destruction or damage by a peril insured against under this Section of the Policy, it is understood and agreed that at the request of the Insured, settlement shall be based on: The cost of replacing Electronic Data Processing Systems, data processing media, meaning all forms of “Data”, converted data, electronically converted data and/or programs and/or application and/or instructions and/or media vehicles, transferring equipment, computer systems, communications systems or electronic control equipment or component parts (including, but not limited to air conditioning systems, auxiliary generating systems and other related power supplies). However, it is understood and agreed that the Insured shall have the option of replacement with equipment having technological advantages and/or representing an improvement in function and/or forming part of a program for system enhancement provided that such replacement can be accomplished without increasing the Insurer's liability herein.



### 30. Increased Costs Due to By-Laws

In the event of loss, destruction or damage of or to insured “Building(s)” or other insured property or equipment by a peril covered by this Section of the Policy, loss occasioned by the Insured because of the enforcement of any by-law, regulation, ordinance, or law which is in force at the time of repair or replacement, construction or reconstruction which regulates zoning or the demolition, repair, adding to, or construction of damaged “Building(s)” or equipment, shall also be covered by this Section of the Policy to the following extent:

- (a) any increase in the cost of repairing, adding to, replacing, constructing or reconstructing the “Building(s)”, equipment, or other insured property with property of like height, floor area and style and for like use or occupancy, where such increase in cost is incurred to meet the minimum requirements under such regulation;
- (b) the cost of demolishing and clearing the site of any undamaged portion of the “Building(s)”, equipment, or other insured property where such cost is incurred to meet the minimum requirements under such regulation;
- (c) the value of the undamaged portion of the “Building(s)”, equipment, or other insured property which must be demolished to satisfy the minimum requirements of such regulation;
- (d) any increase in the loss to the Insured under Part **6(d) Limited Business Income (“Business Income”, “Church Income”, “Extra Expense”, and “Gross Rent and Rental Value”)** of this Section of the Policy due to any additional period of time that would be required for repairing, adding to, replacing, constructing or reconstructing or demolishing any portion of the “Building(s)”, equipment, or other insured property where such loss is occasioned by the enforcement of the minimum requirements of any such regulation.

### 31. Value Reporting

- (a) The values reported hereunder are for the purpose of calculating the premium. The Insured shall furnish prior to the renewal of the Certificate of Insurance a declaration of total insurable values, upon which the premium for the forthcoming Policy Period shall be based.
- (b) The premium refund for locations to be deleted at the request of the Insured after the effective date of the Certificate of Insurance or subsequent renewal dates will be adjusted on a pro rata basis.

Unless an increase in the Limits of Liability cited in the Certificate of Insurance is required, all other changes to the values should be reported when reporting values for renewal.



## Mortgage Clause

IT IS HEREBY PROVIDED AND AGREED THAT:

### 1. Breach of Conditions by Mortgagor, Owner or Occupant

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

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

### 2. Right of Subrogation

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

### 3. Other Insurance

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

### 4. Who May Give Proof of Loss

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

### 5. Termination

- (a) applicable to Province of Quebec

The term of this Mortgage Clause coincides with the term of the Policy:

PROVIDED ALWAYS that the Insurer reserves the right to cancel the Policy as provided by Statutory Condition 19 as set forth in Section 240 of the Insurance Act of Quebec, but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without 15 days' notice to the Mortgagee by registered letter.

- (b) applicable to all Provinces except Quebec The term of this Mortgage Clause coincides with the term of the Policy:



PROVIDED ALWAYS that the Insurer reserves the right to cancel the Policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the Policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

**6. Foreclosure**

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

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

## Statutory Conditions

(Applicable to all Provinces except Province of Quebec)

1. **Misrepresentation**

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

2. **Property of Others**

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

3. **Change of Interest**

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

4. **Material Change**

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

5. **Termination**

1. This contract may be terminated:

- (a) by the Insurer giving to the Insured 15 days' notice of termination by registered mail or five days' written notice of termination personally delivered;
- (b) by the Insured at any time on request.

2. Where this contract is terminated by the Insurer:

- (a) the Insurer shall refund the excess of premium actually paid by the Insured over the pro rata premium for the expired time, but in no event shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
- (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

3. Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of the premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

4. The refund may be made by money, postal or express company money order or cheque



payable at par.

5. The fifteen days mentioned in Clause (a) of Subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

## 6. Requirements After Loss

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

## 7. Fraud

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

## 8. Who May Give Notice and Proof

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

**9. Salvage**

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

**10. Entry, Control, Abandonment**

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

**11. Appraisal**

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

**12. When Loss Payable**

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

**13. Replacement**

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

**14. Action**

Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs; two years in the Province of Manitoba and Yukon Territory.

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

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



**15. Notice**

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

**N.B. to the extent that the Civil Code of the Province of Quebec is applicable to this contract General conditions and Provisions as set out in the Civil Code of the province of Quebec apply. These General Conditions and Provisions, a copy of which available on request from the Insurer, apply to all perils insured by This Policy and to the liability coverage, where provided, except where such conditions and provisions maybe modified or supplements by riders or endorsements attached.**

## Co-Insurance Endorsement

**This endorsement modifies coverage provided under Section II - Property Insurance of Policy No. HUB 1925 but only if a Co-insurance (Percentage) is shown on the “Declarations Page” of the individual Certificate of Insurance**

It is understood and agreed that item 11. Co-Insurance Clause of Section II – Property Insurance is hereby deleted and replaced by the following:

### **11. Co-Insurance (Percentage) Clause**

This clause applies separately to each item of the property insured where the amount of loss or damage to each item exceeds the lesser of 2% of the applicable amount of insurance or \$5,000.

It is part of the consideration of This policy and the basis upon which the rate of premium is fixed, that the Insured shall maintain insurance concurrent with This policy on the insured property (in accordance with the valuation prescribed by the Basis of Loss Settlement, item 29.) and that failing to do so, the Insured shall be a co-insurer to the extent of an amount sufficient to make the total insurance equal to ninety percent (90%) of the value of each and every item of the insured property and, in that capacity, shall bear their proportion of any loss that may occur.

All other terms and conditions remain unchanged.



## Wreckage Value Endorsement ("Building(s)" only)

This endorsement modifies coverage provided under Section II - Property Insurance of Policy No. HUB 1925 but only to "Building(s)" if shown on the "Declarations Page" of the individual Certificate of Insurance as insured on a "Wreckage Value" basis.

**Amount of Insurance \$ As per Declarations of the Individual Certificate of Insurance**

Notwithstanding Item 29. Basis of Loss Settlement and the Limit(s) of Liability under "Property of Every Description", where the described location(s) on the "Declarations Page" of the individual Certificate of Insurance is shown as insured on a "Wreckage Value" basis, it is understood and agreed that the amount of insurance shall be limited to the "Wreckage Value".

The Insurer shall only be liable for the amount of insurance or the "Wreckage Value", whichever is the lesser.

"Wreckage Value" is defined as the "Second-Hand Value" of the materials comprising the part of the property destroyed, immediately prior to the loss, including the cost of demolition and removal of debris of the property insured following loss or damage to such property.

"Second-Hand Value" means the Market Value as scrap.

It is further understood and agreed that Part 6. **Extensions of Coverage** shall not apply, in its entirety, to any loss payable under this endorsement.

All other terms and conditions remain unchanged.





## Communicable Disease Exclusion Endorsement

This Endorsement is attached to, forms part of and modifies insurance provided under the property, business interruption, equipment breakdown (also known as boiler and machinery), inland marine and crime policy wordings Words and phrases that appear in quotations have special meanings as defined in Section 3.

### 1. DELETED COMMUNICABLE DISEASE EXCLUSION

Only with respect to the Excess Percentage Participation of Northbridge General Insurance Corporation, any

**COMMUNICABLE DISEASE EXCLUSION** is deleted in its entirety and replaced with **Section 2.** below.

### ADDED COMMUNICABLE DISEASE EXCLUSION

Only with respect to the quota share participation of Northbridge General Insurance Corporation, the following exclusion is added:

#### COMMUNICABLE DISEASE EXCLUSION

Notwithstanding any provisions to the contrary and for greater certainty, this Policy does not insure any loss or damage directly or indirectly caused by, contributed to by, resulting from, arising out of, in response to, or in connection with any “communicable disease”, including but not limited to:

- (a) the fear or threat (whether actual or perceived) of a “communicable disease”;
- (b) any “communicable disease order”;
- (c) any voluntary or involuntary action taken or any failure to take any action by any person, entity or governmental authority, to control, prevent or suppress a “communicable disease” or to detoxify or decontaminate any person, property, animal, plant or environment;
- (d) any voluntary or involuntary action taken by any person, entity or governmental authority to suspend, in whole or in part:
  - (i) commercial or non-commercial operations; or
  - (ii) repair or replacement of any property;in response to a “communicable disease” or the fear or threat (whether actual or perceived) of a “communicable disease”;
- (e) any damage to, deterioration of, loss of value of or marketability of, or loss of use of property; or
- (f) loss of business income including but not limited to any:
  - (i) business interruption loss;
  - (ii) contingent business interruption loss; or
  - (iii) increased cost or expense;of any kind, whether or not caused by, accompanied by or resulting from any loss of or damage to property.

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.

This exclusion does not apply to the exceptions to the **FUNGI AND SPORES EXCLUSION.**

## DEFINITIONS

Wherever used in this Endorsement:

- (1) “Communicable disease” means any disease that can be transmitted, directly or indirectly, by means of any substance or agent from any organism to another organism where:
  - (i) the substance or agent includes, but is not limited to, any virus, bacterium, parasite or other organism or micro-organism, or its toxic products, or any variation thereof, whether deemed living or not;
  - (ii) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
  - (iii) the disease, substance or agent can cause or threaten damage to the health or welfare of any person, animal, plant or environment.“Communicable disease” also includes any other disease, method of transmission, substance or agent or source described in a definition of communicable disease, infectious disease or any similar terms, in any applicable federal, provincial, territorial, state or municipal law or regulation, provided that such definitions shall not limit in any way the provisions of paragraphs (i) to (iii) inclusive of this definition.
- (2) “Communicable disease order” means any law, by-law, regulation, ordinance, order, announcement, pronouncement, advice, recommendation, suggestion or guidance, whether written or oral, of or made by any applicable federal, provincial, territorial, state or municipal government, governmental entity, public authority, civil authority, public health agency, instrumentality of any governmental entity, the police or the military in respect of any “communicable disease” or the threat or perceived threat of any “communicable disease”, whether issued or applicable prior to, during or after the spread of any “communicable disease”, including, without limitation, any such law, by-law, regulation, ordinance, order, announcement, pronouncement, advice, recommendation, suggestion or guidance that:
  - (i) recommends, limits or prohibits, in whole or in part, access to or use of any property or premises (whether or not by physical means);
  - (ii) recommends or requires that some or all businesses or premises close or operate at reduced capacity;
  - (iii) recommends or imposes social distancing, self-isolation, lockdown, restrictions on travel or mass gatherings;
  - (iv) recommends or imposes restrictions on activities, border restrictions or closures, or trade restrictions; or
  - (v) recommends or imposes stay at home or work from home requirements.

All other terms and conditions remain unchanged

## Cyber and Data Endorsement

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
  - 1.1 Cyber Loss, unless subject to the provisions of paragraph 2;
  - 1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of paragraph 3;  
regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, this Policy covers physical loss or physical damage to property insured under this Policy caused by any ensuing fire or explosion which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act.
- 3 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled.
- 4 In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- 5 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss, Data or Data Processing Media, replaces that wording.

### Definitions

- 1 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- 2 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.



- 3 Cyber Incident means:
  - 3.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
  - 3.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- 4 Computer System means:
  - 4.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
- 5 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
- 6 Data Processing Media means any property insured by this Policy on which Data can be stored but not the Data itself.

## Section III - Boiler And Machinery (Equipment Breakdown) Insurance

### Master Policy No. HUB 1925

(Applicable if cited in the individual Certificate of Insurance)

#### 1. Insuring Agreement

In consideration of the premium, the Insurer agrees with the Insured respecting loss from an "Accident", as defined herein, occurring during the Policy Period, to an "Object", as defined herein, at the "Premises" of the Insured, subject to the Deductible, Conditions, Exclusions, Special Provisions, other terms of this Section of the Policy and to the Endorsements issued to form a part thereof, as follows:

##### (a) Coverage I - Direct Damage

To pay for loss to the property of the Insured and to the property of others in the care, custody or control of the Insured for which the Insured is legally liable, directly damaged by such "Accident" (or, if the Insurer so elects, to repair or replace such damaged property).

##### (b) Coverage II - Expediting Expenses

To pay the reasonable extra cost of temporary repair and of expediting the repair of such damaged property, including overtime and the extra cost of express or other rapid means of transportation.

The limit of the Insurers liability shall be \$1,000,000.

#### 2. Combined Limit – Any "One Accident"

The Insurer's total liability for loss from any "One Accident" shall not exceed the Limit of Liability cited in each individual Certificate of Insurance. This Limit shall in no case be increased by any specific limit(s) or sublimit(s) expressed in the wordings of this Section of the Policy or the Certificates of Insurance. The term "One Accident" shall be taken as including all resultant or concomitant Accidents whether to one "Object" or to more than one "Object" or to part of an "Object". The inclusion herein of more than one Insured shall not operate to increase the limits of the Insurer's liability on any one individual Certificate of Insurance.

#### 3. Extensions of Insurance

The following extensions of coverage are subject to the terms, conditions, exclusions of this Section. The liability of the Insurer under this Section of the Policy including all extensions of cover shall in no event exceed the Limit per "Accident" specified on the individual Certificate of Insurance.

##### (a) Sublimits (forming part of and not in addition to the Limit per "Accident")

###### (i) Water Damage and Ammonia Contamination

The Insurer's liability for loss, including salvage, expense, resulting from an "Accident" to any refrigerating or air conditioning vessels and piping, shall not exceed the amount of \$250,000 with respect to:



- (A) damage by Ammonia contacting or permeating property under refrigeration or in process requiring refrigeration; or
- (B) property damaged by water resulting from an “Accident” to any insured piping described in the definition of “Object”.

(ii) **Extended Water Damage**

The Insurer's liability for water damage resulting from Hot Water Heating System Piping, Radiators, Convectors, and Fan Circulated Heat Exchangers shall in no event exceed \$100,000.

(iii) **Hazardous Contamination**

It is agreed that if, as a result of an “Accident” to an insured “Object”, any property of the Insured is damaged, contaminated or polluted by a substance, deemed by a Government Agency to be hazardous to health, this Section of the Policy is extended to cover for:

(A) **Direct Damage**

Additional expenses incurred for clean up, repair or replacement containment, transportation, or disposal of damaged, contaminated or polluted property. As used in this extension, additional expenses mean expenses incurred beyond those for which the Insurer would have been liable if no substance hazardous to health had been involved.

(B) **Limited Business Income (“Business Income”, “Church Income”, “Extra Expense”, and "Gross Rent and Rental Value")**

Additional curtailment of production or suspension of operations resulting from clean up, repair or replacement or disposal of property damaged, contaminated or polluted by a substance hazardous to health. As used herein, additional curtailment or suspension means curtailment or suspension in excess of that for which the Insurer would have been liable if no substance hazardous to health had been involved.

The Insurer's total liability under this extension shall be limited to the minimum requirement necessitated by any ordinance, law, regulation, rule or rulings having force and effect at the time of the “Accident”, but in no event to exceed the amount of \$250,000.

(iv) **Professional Fees**

It is agreed that the Insurer shall be liable to cover such fees and other charges incurred by the Insured in preparing or substantiating any claim hereunder for up to an amount as shown on the Certificate of Insurance, but in no event to exceed the amount of \$250,000. This extension shall not apply to the fees of any adjusters hired by the Insured or the Insured's own employees.

(b) **Automatic Coverage**

Refer to Section II, Property Insurance - Extensions Part 6 (c)

(c) **Repair or Replacement**

The Insurer agrees that loss or damage to property of the Insured shall mean the amount actually expended by the Insured to repair or replace such property of the Insured,



subject to the following provisions:

- (i) the damaged property shall be repaired or replaced within twelve months from the date of the “Accident” unless such period is extended with written consent of the Insurer;
- (ii) the Insurer's liability for any repair or replacement shall be limited to the lesser of the following:
  - (A) the cost at the time of the “Accident” to repair the said property; or
  - (B) the cost at the time of the “Accident” to replace the said property with property of like kind, capacity, size and quality;provided that in the event the replacement is by property of a better kind or quality or of larger capacity or size, the liability of the Insurer shall not exceed the amount that would be paid if the replacement had been made by property of like kind, capacity, size and quality.
- (iii) The Insurer shall not be liable for:
  - (A) loss or damage to property useless to the Insured or obsolete to the Insured;
  - (B) the cost of repairing or replacing any part or parts of an “Object” which is in excess of the cost of replacing the entire “Object”.
- (iv) if any damaged property is not repaired or replaced, the Insurer's liability as respects such property shall be limited to the “Actual Cash Value” at the time of the “Accident” with proper deduction for depreciation.

**(d) By-Laws**

It is agreed that following an “Accident” to an insured “Object”, the Insurer shall be liable under Coverage I - Direct Damage for the increased cost of repair or replacement of damaged property and/or undamaged property of the Insured (including any necessary demolition and site clearing costs) occasioned by the enforcement of any law, regulation, by-law or ordinance regulating or restricting repair, construction or installation. The limit of the Insurer's liability for loss to the property of the Insured shall not exceed the cost at the time of the repair or replacement to replace the said property with property of such kind, capacity, size and quality as will satisfy the minimum requirements prescribed by any law, by-law or ordinance; provided that in the event the replacement is by property of a better kind or quality or of a larger capacity or size, the liability of the Insurer shall not exceed the amount that would be paid if replacement had been made by property as would satisfy such minimum requirements.

It is further agreed that:

- (i) the word "property" as used herein shall mean all “Building(s)” / structures of the Insured;
- (ii) any prevention of operations as insured under the Limited Business Income section extension of this Section resulting from the enforcement of any law, by-law, regulation or ordinance relating to an “Accident” shall be considered to have been caused solely by said “Accident”.



(e) **Limited Business Income (“Business Income”, including “Church Income”, “Extra Expense”, and “Gross Rent and Rental Value”)**

(f) (i) **“Business Income”, including “Church Income”**

The Insurer hereby agrees, with respect to all “Premises” of the Insured, to pay the Insured the amount of “Business Income” or “Church Income”, as defined in Section II, Property Extension clause 6(d)(i), the amount by which the church collections, and generally all forms of income may, during the period required with the exercise of due diligence and dispatch for the restoration of the insured property, fall short of the average amount of such income over the same period during the three preceding years.

(ii) **“Extra Expense”**

The Insurer hereby agrees, with respect to all “Premises” of the Insured, to pay the Insured the amount of “Extra Expense”, as defined in Section II, Property Extension clause 6(d)(ii), necessarily incurred by the Insured in order to continue as nearly as practicable the “Normal” operation of the Insured’s operations, provided such “Extra Expense” is incurred solely as the result of an “Accident”, which occurs while this coverage is in effect, as defined herein, to an “Object” specified in the Definitions and Special Provisions.

(iii) **“Gross Rent and Rental Value” Insurance**

The Insurer hereby agrees, with respect to the “Business” on the “Premises” described that if during the period while this coverage is in effect, any “Object” described in this Section at the “Premises” shall sustain an “Accident” as defined and the operations carried on by the Insured at the “Premises” be interrupted or interfered with solely as a result of such “Accident”, the Insurer will pay the Insured the amount of loss resulting from such interruption or interference in accordance with the provisions of Section II, Property Extension clause 6(iii) subject to the limit shown on the Certificate of Insurance.

(g) **“Ordinary Payroll” Expense - Applicable only to those individual Certificate Holders where “Ordinary Payroll” Expense is shown under Section II, Property Insurance, for the amount specified.**

In the event that the “Business” shall be interrupted as a direct result of “Damage”, the Insurer(s) shall be liable for “Ordinary Payroll” Expense which must necessarily continue during the interruption of business. Such expense shall be limited to ninety (90) consecutive calendar days immediately following the date of the “Damage” to or destruction at the Insured’s “Premises”.

“Ordinary Payroll” means the entire payroll expense for all the employees of the Insured, except officer, executives, department managers, employees under contract and other important employees whose services would not be dispensed with should the “Business” be interfered with or interrupted.





**(h) Civil Authority**

The Insurer shall be liable for any Limited Business Income, “Ordinary Payroll” or Resultant Damage, as covered by this Section of the Policy, during the period of time, not exceeding four weeks, while access to the described “Premises” is specifically prohibited by order of Civil Authority as a direct result of an “Accident” of an “Object”, of the kind insured against hereunder, occurring at neighbouring premises.

**(i) Resultant Damage**

**(i) Insuring Agreement**

Subject to the Exclusions and Conditions of this Section of the Policy, the Insurer hereby agrees to cover property of the Insured, solely while in storage dependant upon cold or heat, subject to a limit of \$100,000:

- (A) the amount of loss to property belonging to the Insured;
- (B) the amount of loss to property belonging to others for which the Insured is legally liable; and
- (C) the amount which the Insured has to spend to avoid or reduce loss to property - but only to the extent that the amount which the Insurer would otherwise have paid the Insured under (A) and/or (B) is reduced.

**(ii) Exclusions**

The Insurer shall not be liable for:

- (A) any loss or increase in loss resulting from the Insured's failure to do or allow the Insurer to do everything possible to protect the property after an “Accident”.
- (B) loss greater than the “Actual Cash Value” of the property damaged or destroyed.

**(iii) “Actual Cash Value”**

For the purpose of this insurance “Actual Cash Value” is defined as the value of the property at the Insured's “Premises” at the time of an “Accident”, taking into account any prior depreciation however caused.

**(j) Mortgage Impairment Coverage**

If an “Accident” to an “Object” covered by this Section of the Policy directly causes loss or damage to any real property located in Canada or the United States in which the Insured has a mortgage interest, or loan interest and the Insured's mortgage/loan security is impaired because the Mortgagor had no Boiler & Machinery Insurance (which the Insurer will call “Specific Insurance”) or the Mortgagor's coverage is insufficient to fully pay for the loss,

**(i) The Insurer will pay the Insured:**

The amount of the Insured's mortgage interest or loan interest outstanding on the damaged property, less:

- (A) the value of the remaining property at the mortgaged location; and



(B) any amount the Insured can recover under any "Specific Insurance".

The Insurer agrees with the Insured that "the mortgage interest or loan interest outstanding" includes:

(C) the principal sum owing under the mortgage;

(D) accrued interest unpaid on the principal sum; and

(E) any other amounts paid by the Insured, which, under the terms of the mortgage/loan agreement, the Insured is entitled to add to the mortgage debt.

(ii) Limit of Indemnity

The maximum amount the Insurer will pay the Insured for any "One Accident" under this coverage will be a limit of loss of \$1,000,000 on any one building.

(iii) Private Dwelling

It is agreed that the coverage provided by this form does not apply to any private dwelling in which the Insured has a mortgage interest.

## Definitions and Special Provisions

### Definitions

#### 1. Object

"Object" shall mean any equipment or apparatus described below, subject to the exclusions specified herein:

- (a) Any boiler, condensate return tank, any fired pressure vessel, any unfired metal vessel or any ASME approved fiberglass reinforced plastic vessel, normally subject to vacuum or internal pressure other than static pressure of contents, any refrigerating or air conditioning vessels and piping, or any other metal piping and its accessory equipment, but "Object" shall not include:
  - (i) Refractory or insulating material, non-metallic lining or covering, any boiler setting, any refractory or insulating material, any oven, stove, furnace or incinerator;
  - (ii) any sewer piping, any underground gas piping, any piping forming a part of a sprinkler system or any water piping other than:
    - (A) feed water piping between any boiler and its feed pumps or injectors; or
    - (B) boiler condensate return piping; or
    - (C) water piping forming a part of refrigerating or air conditioning vessels and piping, or hot water system;
    - (D) any unfired vessel which is used for the storage of gas or liquid and which is periodically filled, moved empty and refilled in the course of its normal service shall be considered as "connected ready for use" within the term of the policy.
- (b) Any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power, but "Object" shall not mean or include:
  - (i) any refractory material, any oven, stove, furnace or incinerator; kiln or metallic lining or covering;
  - (ii) any maintenance machine or apparatus;
  - (iii) any conveyor belt;
  - (iv) any vehicle, aircraft, structure or floating vessel, elevator, escalator, crane, hoist, power shovel, or drag line, but not excluding any pressure vessel, mechanical or electrical equipment mounted on or forming a part of any such machine or apparatus;
  - (v) any data processing, calculating or computing equipment, used in whole or in part for administrative, statistical or accounting purposes;
  - (vi) any x-ray machine, electron microscope, laser, particle accelerator, Beta gauge or spectrograph, or any equipment or apparatus utilizing radio-active materials.
- (c) With respect to any Limited Business Income, "Ordinary Payroll" or Resultant Damage extension, any "Object" as defined in Paragraphs (a) and (b) above, whether or not such "Object" is located on the "Premises" of the Insured, which is:



- (i) owned by a public utility company or other company contracted by the Insured to supply steam, gas, water, air, electricity, telephone communications or refrigeration to the Insured; and
- (ii) used to supply said services directly to “Premises” of the Insured;
- (iii) electrical trailing cable, induction furnace coil or electrical equipment beyond the secondary bus or an arc furnace transformer.

2. Accident

"Accident" shall mean a sudden and accidental breakdown of the “Object” or a part thereof, which manifests itself at the time of its “Accident” by physical damage to the “Object” that necessitates repair or replacement of the “Object” or part thereof but "Accident" shall not mean:

- (a) depletion, deterioration, corrosion, or erosion of material;
- (b) wear and tear;
- (c) leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (d) the breakdown of any vacuum tube, gas tube or brush;
- (e) the functioning of any safety device or protective device;
- (f) the breakdown of any structure or foundation supporting the “Object” or any part thereof;  
nor
- (h) the breakdown of any electronic computer or electronic data processing equipment used in whole or in part for administrative, statistical or accounting purposes;
- (i) as respects any boiler, fired or unfired vessel, refrigerating vessel or piping, the Insurer shall not be liable for loss from an “Accident” while said “Object” is undergoing a Hydrostatic, Pneumatic or gas Pressure Test;
- (j) as respects any electrical machine or electrical apparatus, the Insurer shall not be liable for loss from an “Accident” while said “Object” is undergoing an insulation breakdown test or is being dried out.

3. **Business**

As defined under Section II - Property Insurance, clause 7. Definitions, (C) "Business"

4. **Business Income**

As defined under Section II - Property Insurance, clause 7. Definitions, (D) "Business Income"

5. **Church Income**

As defined under Section II - Property Insurance, clause 7. Definitions, (F) "Church Income"

6. **Gross Rent and Rental Value**

As defined under Section II - Property Insurance, clause 7. Definitions, (O) "Gross Rent and Rental Value"

7. **Extra Expense**

As defined under Section II - Property Insurance, clause 6. Extensions of Coverage, (d) (ii) “Extra Expense”



8. **Valuable Papers and Records**

As defined under Section II - Property Insurance, clause 6. Extensions of Coverage, (f) "Valuable Papers and Records"

9. **Premises**

As defined under Section II - Property Insurance, clause 7. Definitions, (T) "Premises" or "Insured Location"

10. **Buildings**

As defined under Section II - Property Insurance, clause 7. Definitions, (B) "Building(s)"

11. **Normal**

As defined under Section II - Property Insurance, clause 7. Definitions, (Q) "Normal"

12. **Ordinary Payroll**

As defined under Section II - Property Insurance, clause 6. Extensions of Coverage, (e) "Ordinary Payroll"

## Exclusions

1. This Section of the Policy does not apply to loss or damage from an “Accident” caused directly or indirectly by war, bombardment, invasion, insurrection, rebellion, revolution, military or usurped power, enemy attack including any action or measure taken in resisting, combating, or delaying the enemy or operations of armed forces while engaged in hostilities, whether war be declared or not, or by the explosion of a concentration of munitions or explosives being manufactured, stored or transported.
2. This Section of the Policy does not apply to loss or damage whether it be direct or indirect, proximate or remote:
  - (a) from an “Accident” caused directly or indirectly by nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled; or
  - (b) from nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, caused directly or indirectly by, contributed to or aggravated by an “Accident”;  
  
nor shall the Insurer be liable for any loss covered in whole or in part by any contract of insurance, carried by the Insured, which also covers any hazard or peril of nuclear reaction or nuclear radiation.
3. This Section of the Policy does not apply to loss:
  - (a) from fire outside the “Object” concomitant with or following an “Accident” or from the use of water or other means to extinguish fire;
  - (b) from an “Accident” caused directly or indirectly by fire, smoke or from the use of water or other means to extinguish fire;
  - (c) from a combustion explosion outside the “Object” concomitant with or following an “Accident”;
  - (d) from an “Accident” caused directly or indirectly by a combustion explosion outside the “Object”;
  - (e) from “Flood” unless an “Accident” ensues and the Insurer shall then be liable only for loss from such ensuing “Accident”;
  - (f) from an “Accident” caused directly by wind, including but not limited to cyclone, tornado, hurricane or hail;
  - (g) from an “Accident” caused directly or indirectly or resulting from earth movement, including but not limited to “Earthquake”, landslide, mudflow, subsidence or volcanic eruption;
  - (h) from lightning, if coverage for that cause of loss is provided by any other policy of insurance in effect at the time of loss;
  - (i) from delay or interruption of “Business”, except as provided herein;
  - (j) from an “Accident” caused directly or indirectly from an explosion of gas or unconsumed fuel within the furnace of an “Object” or within the passages from the furnace to the atmosphere, whether or not such explosion: (i) is contributed to or aggravated by an “Accident” to any part of said “Object” that contains steam or water; or (ii) is caused in whole or in part, directly or indirectly, by an “Accident” to any “Object”, or part thereof; nor shall the Insurer be liable for any loss from an “Accident” caused directly or indirectly by



such explosion.

- (k) from lack of power, light, heat, steam or refrigeration, except as provided herein;
- (l) from an “Accident” to such “Object” occurring prior to the time such “Object” has been completely: (a) installed; (b) tested; and (c) accepted by or is at risk of the Insured.
- (m) caused by or resulting from:

the inability or failure, in whole or in part, of any electronic equipment, device, product or component thereof, including but not limited to any microchip, integrated circuit or switch, or any operating system, software or other computer device instructions however embodied or received, to correctly calculate, read, recognize, save, process, output, respond to or interpret any date or time or any data associated therewith or instruction dependent thereon; or

the assessment, modification, repair or replacement, in whole or in part, of any electronic equipment, device, product or component thereof, including but not limited to any microchip, integrated circuit or switch, or any operating system, software or other computer device instructions however embodied or received, due to its inability to correctly calculate, read, recognize, save, process, output, respond to or interpret any date or time or any “Data” associated therewith or instruction dependent thereon.

Unless an “Accident” to any other insured “Object” results, the Insurer will then pay only for loss resulting from the “Accident” itself.

- (n) Data Exclusion:

This Section of the Policy does not insure loss caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:

- (a) the erasure, destruction, corruption, misappropriation or misinterpretation of “Data”;
  - (b) any error in creating, amending, entering, deleting or using “Data”;
  - (c) the inability to receive, transmit or use “Data”;
- however, loss that ensues from an “Accident” to any other insured “Object” is covered.

This Section of the Policy does not insure loss caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:

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

however loss that ensues from an “Accident” to any other insured “Object” is covered.

The definitions of “Data” and “Media” as shown in the policy wording are amended to read as follows:

- (a) “Data” means representations of information concepts, in any form.
- (b) “Media” means any material on which data is recorded or stored.

The following Reproduction Costs extension is added to the Extensions of Coverage:

Reproduction Costs. If as a result of an “Accident” to “Object”, “Data”, “Media” or



“Valuable Papers and Records” are damaged, the Insurer shall be liable:

- (a) on “Data” and “Media”, for the cost of blank materials, plus the cost of transcription from duplicates or from originals;
- (b) on exposed film, records, manuscripts, drawings or other “Valuable Papers and Records”, for the cost of blank materials, plus the cost of transcriptions from duplicates or from originals;
- (c) for the business interruption/“Extra Expense” resulting from the loss or damage to the “Data”, “Media” or “Valuable Papers and Records”.

No liability is assumed hereunder for the cost of gathering or assembling information or data for such reproduction. The Insurer's liability under this extension of coverage shall not exceed \$10,000 or the amount specified on the Declarations Page of each individual Certificate of Insurance, whichever is greater.

(o) Terrorism Exclusion:

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

The Insurer shall not be liable for Limited Business Income or “Ordinary Payroll” or any other loss attributable to the interruption of “Business”, provided such coverage is currently included in the policy to which this clause is attached, resulting from loss or damage caused directly or indirectly, in whole or in part, by "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism", regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.

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.

The following definition is added:

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



## Conditions

### 1. Insured Locations

The location(s) of the “Premises” where the property insured by this Section is located, shall be as shown in the individual Certificate of Insurance.

### 2. Mortgage Clause

Refer to Section II, Property Insurance, Mortgage Clause.

### 3. Order of Payment

Payments within the Limit for any “One Accident”, as provided by this Section of the Policy and as specified in the individual Certificate of Insurance, shall be determined in the following fixed order and the portion of the Limit for any “One Accident” applicable to each coverage shall be the extent of any indemnity remaining after payment of all loss, as may be required, under all preceding coverages:

Coverage I - Direct Damage

Coverage II - Expediting Expenses

Limited Business Income

“Ordinary Payroll”, if specified as covered on the Declarations Page of each individual Certificate of Insurance.

### 4. Inspection

The Insurer shall be permitted but not obligated to inspect, at all reasonable times, any “Object” designated and described in this Section. Neither the Insurer's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Named Insured or others, to determine or warrant that such “Object” is safe or healthful.

### 5. Suspension

Upon the discovery of a dangerous condition with respect to any “Object”, any representative of the Insurer may immediately suspend the insurance with respect to an “Accident” to said “Object” by written notice mailed or delivered to the Insured at the Mailing Address on the Certificate of Insurance of the Insured. Insurance so suspended may be reinstated by the Insurer, but only by an Endorsement issued to form a part of this Section of the Policy and executed by the Insurer and countersigned by a duly Authorized Representative of the Insurer. The Insured shall be allowed the unearned portion of the premium paid for such suspended insurance, pro rata for the period of Suspension.

### 6. Breach of Conditions

Refer to Section II - Property Insurance - Clause 20.

### 7. Other Insurance

Refer to Section II - Property Insurance - Clause 19.

The words “Joint Loss” as used herein, means loss to which both this insurance and other insurance carried by the Insured apply. In the event of such “Joint Loss”:

the Insurer shall be liable under this Section of the Policy only for the proportion of the said “Joint Loss” that the amount which would have been payable under this insurance on account of said “Joint Loss”, had no other insurance existed, bears to the combined total of the said amount and the amount which would have been payable under all other insurance on account of said “Joint Loss” had there been no insurance under this Section of the Policy; but

in case the policy or policies affording such other insurance do not contain a clause similar to Clause (a), the Insurer shall be liable under this Section of the Policy only for the proportion of said “Joint Loss” that the amount insured under this insurance, applicable to said “Joint Loss”, bears to the whole amount of insurance, applicable to said “Joint Loss”.



**Disputed Loss Agreement**

Refer to Property Insurance, Clause 25.

**Release and Subrogation**

Refer to Property Insurance, Clause 12.

**Action Against Insurer**

No Action can be brought against the Insurer unless the Insured has fully expired with all the terms of this Section of the Policy. Legal Action cannot be brought against the Insurer more than 14 months after the date of an "Accident".



## Section IV - Crime Insurance

(Comprehensive Dishonesty Disappearance and Destruction)  
Master Policy No. HUB 1925

### Declarations

#### Named Insured

Those churches and/or congregations and/or pastoral charges and/or affiliated entities of The United Church of Canada who have individual Certificates of Insurance issued in their name and on file with Insurer.

#### Item 1.

Insurance is provided only with respect to the following Insuring Agreements as indicated on individual Certificates of Insurance.

<b>Insuring Agreement I</b>	Employee Dishonesty Coverage Commercial Blanket Bond
<b>Insuring Agreement II</b>	Loss Inside the Premises Coverage
<b>Insuring Agreement III</b>	Loss Outside the Premises Coverage
<b>Insuring Agreement IV</b>	Money Orders and Counterfeit Paper Currency Coverage
<b>Insuring Agreement V</b>	Depositors Forgery Coverage
<b>Insuring Agreement VI</b>	Incoming Cheque Forgery Coverage
<b>Insuring Agreement VII</b>	Computer Fraud
<b>Insuring Agreement VIII</b>	Credit Card Forgery

#### Item 2.

**Insuring Agreements II and III** apply only to “Loss” of “Money” and “Securities”

#### Item 3

**Deductible:** Except as provided by General Conditions each claim for loss shall be adjusted separately and the Insurer's liability shall be limited to that amount by which the loss exceeds the deductible amount cited in the individual Certificate of Insurance.

#### Item 4.

**The Limit(s) of Liability** are as set forth in each individual Certificate of Insurance issued in connection with this insurance.



## Comprehensive Dishonesty, Disappearance and Destruction

Defined terms in this Section of the Policy are as stated in Item 3 of the Conditions and Limitations herein.

In consideration of the payment of the premium, and subject to the Declarations in each individual Certificate of Insurance made a part hereof, the General Agreements, Conditions and Limitations and other terms of this Section of the Policy, agrees with the Insured in accordance with such of the Insuring Agreements, as are specifically designated by the insertion of an amount of insurance as cited in the individual Certificate of Insurance, to pay the Insured for:

### 1. Insuring Agreements

#### I. Employee Dishonesty Coverage

“Loss” of “Money”, “Securities” and other property which the Insured shall sustain, to an amount not exceeding in the aggregate the amount stated as the Limit of Liability as cited on each individual Certificate of Insurance applicable to this Insuring Agreement I, through any “Fraudulent or Dishonest Acts” committed by an “Employee”, acting alone or in collusion with others.

#### II. Loss Inside the Premises Coverage

“Loss” of “Money” and “Securities” by the actual destruction, disappearance or wrongful abstraction thereof within the “Premises” or within any “Banking Premises” or similar recognized places of safe deposit, or by theft while within a Night Depository Safe provided by a Bank, Credit Union or Trust Company for the use of its customers.

“Loss” of other property by “Safe Burglary” or “Robbery” within the “Premises” or attempt thereat; and “Loss” of a locked cash drawer, cash box or cash register by felonious entry into such container within the “Premises” or attempt thereat or by felonious abstraction of such container from within the “Premises” or attempt thereat, and damage to the “Premises” by such “Safe Burglary”, “Robbery” or felonious abstraction, or by or following burglarious entry into the “Premises” or attempt thereat; provided that with respect to damage to the “Premises”, the Insured is the owner thereof or is liable for such damage.

#### III. Loss Outside the Premises Coverage

“Loss” of “Money” and “Securities” by the actual destruction, disappearance or wrongful abstraction thereof outside the “Premises” while being conveyed by a “Messenger” or any armoured motor vehicle company, or while within the living quarters in the home of any “Messenger”.

“Loss” of other property by “Robbery” or attempt thereat outside the “Premises” or attempt thereat while such property is being conveyed by a “Messenger” or any armoured motor vehicle company, or by theft while within the living quarters in the home of any “Messenger”.

#### IV. Money Orders and Counterfeit Paper Currency Coverage

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



**V. Depositors Forgery Coverage**

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

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

whether or not any endorsement mentioned in (a), (b) or (c) be a forgery within the law of the place controlling the construction thereof.

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

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

If the Insured or such bank shall refuse to pay any of the foregoing instruments made or drawn as previously set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Insured or such bank to enforce such payment and the Insurer shall give its written consent to the defence of such suit, then any reasonable attorneys' fees, court costs, or similar legal expenses incurred and paid by the Insured or such bank in such defence shall be construed to be a “Loss” under this Insuring Agreement and the liability of the Insurer for such “Loss” shall be in addition to any other liability under this Insuring Agreement.

**VI. Incoming Cheque Forgery Coverage**

“Loss” which the Insured shall sustain through forgery or alteration of, on or in any cheque or draft drawn upon or by any bank, or any cheque or draft drawn by any corporation upon itself or any cheque or written order or direction to pay a sum certain in money drawn by any public body upon itself or any warrant drawn by any public body, which the Insured shall receive at any office, while such office, is covered under this Insuring Agreement VI, in payment or purported payment for personal property sold and delivered or in payment or in purported payment for services rendered, but excluding all loss caused by forgery or alteration of, on or in any instrument received by the Insured in purported payment for property previously sold and delivered on credit.



Mechanically reproduced facsimile signatures are treated the same as hand written signatures.

**VII. Computer Fraud**

“Loss” resulting directly from “Computer Fraud”.

**VIII. Credit Card Forgery**

“Loss” or losses which the Insured shall sustain through forgery or alteration of, or in any written instrument required in conjunction with any Credit Card issued to the Insured or to any partner, officer or employee of the Insured, provided, however, that the Credit Card holder shall fully comply with the provisions, conditions and other terms under which such Credit Card shall have been issued.

**2. Proof of Loss Expenses**

It is agreed that the Insurer shall be liable for reasonable expenses incurred by the Insured for services by outside auditors (excluding the cost of services rendered by “Employees” of the Insured) for producing and certifying particulars or details of the Insured’s business required by the Insurer in order to arrive at the loss payable under Insuring Agreement I. The Insurer’s liability under this clause is limited to \$25,000.

With respect to the coverage provided above, Exclusion (n) shall not apply.



## General Agreements

### 1. Consolidation - Merger

If, through consolidation or merger with, or purchase of assets of, some other concern, any persons shall become “Employees” or if the Insured shall thereby acquire the use and control of any additional “Premises”, the insurance afforded by this Section of the Policy shall also apply as respects such “Employees” and “Premises”, provided the Insured shall give the Insurer written notice thereof within thirty days thereafter and shall pay the Insurer any additional premium charged computed pro rata from the date of such consolidation, merger or purchase to the end of the current premium period.

### 2. Joint Insured

If more than one Insured is covered under a Certificate of Insurance, the Insured first named shall act for itself and for every other Insured for all purposes of this Section of the Policy. Knowledge possessed or discovery made by any Insured or by any partner or officer thereof shall, for the purposes of Sections 7, 8 and 15, constitute knowledge possessed or discovery made by every Insured. Cancellation of the insurance hereunder as respects any “Employee” as provided in Section 15 shall apply to every Insured. If, prior to the cancellation or termination of this Section of the Policy, this Section of the Policy or any Insuring Agreement hereof is cancelled or terminated as to any Insured, there shall be no liability for any loss sustained by such Insured unless discovered within one year from the date of such cancellation or termination or as respects Insuring Agreement I, within two years therefrom. Payment by the Insurer to the Insured first named on the Certificate of Insurance of any loss under this Section of the Policy shall fully release the Insurer on account of such loss. If the Insured first named on the Certificate of Insurance ceases for any reason to be covered under this Section of the Policy, then the Insured next named shall thereafter be considered as the Insured first named for all purposes of this Section of the Policy.

### 3. Loss Under Prior Bond or Policy

If the coverage of an Insuring Agreement of this Section of the Policy, other than Insuring Agreements V, VI and VIII, is substituted for any prior bond or policy of insurance carried by the Insured or by any predecessor in interest of the Insured, which prior bond or policy is terminated, cancelled or allowed to expire as of the time of such substitution, the Insurer agrees that such Insuring Agreement applies to loss which is discovered as provided in Item 1 of the Conditions and Limitations and which would have been recoverable by the Insured or such predecessor under such prior bond or policy except for the fact that the time within which to discover loss thereunder had expired; provided:

1. the insurance under this General Agreement C shall be a part of and not in addition to the amount of insurance afforded by the applicable Insuring Agreement of this Section of the Policy;
2. such loss would have been covered under such Insuring Agreement had such Insuring Agreement with its agreements, conditions and limitations as of the time of such substitution been in force when the acts or events causing such loss were committed or occurred; and



3. recovery under such Insuring Agreement on account of such loss shall in no event exceed the amount which would have been recoverable under such Insuring Agreement in the amount for which it is written as of the time of such substitution, had such Insuring Agreement been in force when such acts or events were committed or occurred, or the amount which would have been recoverable under such prior bond or policy had such prior bond or policy continued in force until the discovery of such loss, if the latter amount be smaller.

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

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

**THE FOREGOING INSURING AGREEMENTS AND GENERAL AGREEMENTS ARE SUBJECT TO THE FOLLOWING CONDITIONS AND LIMITATIONS**

**1. Policy Period, Territory, Discovery**

The “Policy Period” is as stated in the Declarations of each individual Certificate of Insurance. However for the purposes of the Discovery Period, where cover has been continued in force by renewal certificate, without any lapse of time between renewal periods, this coverage is deemed to have been provided on a continuous basis from inception date until This Policy has been cancelled or allowed to expire. “Loss” is covered under this Section of the Policy only if discovered not later than one year from when this Section of the Policy has been terminated, except with respect to Insuring Agreement I, which is two years from the end of the “Policy Period”.

**Subject to General Agreement C:**

- (a) this Section of the Policy, except under Insuring Agreements I, V, VI, VII and VIII, applies only to loss which occurs during the “Policy Period” within Canada and the Continental United States of America, excluding Alaska.





- (b) Insuring Agreement I applies only to loss sustained by the Insured through “Fraudulent or Dishonest Acts” committed during the “Policy Period” by any of the “Employees” engaged in the regular service of the Insured within the territory designated above or while such “Employees” are elsewhere for a limited period.
- (c) Insuring Agreements V, VI, and VIII apply only to loss sustained during the “Policy Period”.

## 2. Exclusions

This Section of the Policy does not apply:

- (a) to loss due to any fraudulent, dishonest or criminal act by any Insured or a partner therein, whether acting alone or in collusion with others;
- (b) under Insuring Agreement I and VII, to loss, or to that part of any loss, as the case may be, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation;
- (c) under Insuring Agreements II, III and VII, to loss due to any fraudulent, dishonest or criminal act by an “Employee”, director or trustee or authorized representative of any Insured, while working or otherwise, whether acting alone or in collusion with others; provided, this exclusion does not apply to “Safe Burglary” or “Robbery” or attempt thereat;
- (d) under Insuring Agreements II, III and VII, directly or indirectly to loss due to war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (e) under Insuring Agreements II, III and VII, to loss: (1) due to the giving or surrendering of “Money” or “Securities” in any exchange or purchase; (2) due to accounting or arithmetical errors or omissions; or (3) of manuscripts, books of account or records, except for blank value;
- (f) under Insuring Agreement II and VII, to loss of “Money” contained in coin operated amusement devices or vending machines, unless the amount of “Money” deposited within the device or machine is recorded by a continuous recording instrument therein;
- (g) under Insuring Agreement III, to loss of insured property while in the custody of any armoured motor vehicle company, unless such loss is in excess of the amount recovered or received by the Insured under: (1) the Insured’s contract with said armoured motor vehicle company; (2) insurance carried by said armoured motor vehicle company for the benefit of users of its service; and (3) all other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armoured motor vehicle company’s service; and then this Section of the Policy shall cover only such excess;
- (h) under Insuring Agreements II, III and VII, directly or indirectly to loss due to:
  - (i) nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
  - (ii) by contamination by radioactive material;



- (i) under Insuring Agreement II and VII, to loss, other than to “Money”, “Securities”, a safe or vault, by fire whether or not such fire is caused by, contributed to by or arises out of the occurrence of a hazard insured against;
- (j) under Insuring Agreement III, to loss due to the surrender of “Money”, “Securities” or other property away from the “Premises” as a result of a threat to do:
  - (1) bodily harm to the Insured or any other person; or
  - (2) damage to the “Premises” or property owned by the Insured or held by the Insured in any capacity;provided that this exclusion shall not apply to loss of “Money”, “Securities” or other property while being conveyed by a “Messenger” when there was no knowledge by the Insured of any such threat at the time the conveyance was initiated;
- (k) to the defence of any legal proceeding brought against the Insured, or to fees, costs or expenses incurred or paid by the Insured in prosecuting or defending any legal proceeding whether or not any such proceeding results or would result in a loss to the Insured covered by this Section of the Policy, except as may be specifically stated to the contrary in this Section of the Policy;
- (l) to potential income, including but not limited to interest and dividends, not realized by the Insured because of a loss covered under this Section of the Policy;
- (m) to all damages of any type for which the Insured is legally liable, except direct compensatory damages arising from a loss covered under this Section of the Policy;
- (n) to all costs, fees, and other expenses incurred by the Insured in establishing the existence of, or amount of loss covered under this Section of the Policy, except as otherwise covered elsewhere in This Policy;
- (o) under Insuring Agreement II and VII, to loss of “Money”, “Securities” and other property which has been transferred by any computer to a person or to a place outside the covered “Premises” on the basis of unauthorized electronic instructions;
- (p) under Insuring Agreement V, VI, VII and VIII, to loss involving fraud or dishonesty on the part of any of the “Employees”;
- (q) Subject to (i) and (ii) following, the Insurer shall not be liable for loss of “Money” and “Securities”, directly or indirectly, caused by “Data Problem”, regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage:
  - (i) If loss or damage caused by “Data Problem” results in the occurrence of further loss or damage to property insured that is directly caused by an “Insured Peril”, as defined in Section II – Property Insurance, or by the escape of water from any tank, apparatus or pipe, this exclusion shall not apply, to such resulting loss or damage. This exception only applies to the extent that such loss would otherwise be insured under this Section of the Policy.
  - (ii) If “Data Problem” is the direct result of an “Insured Peril”, as defined in Section II – Property Insurance, or by the escape of water from any tank, apparatus or pipe, within the “Premises” or within any “Banking Premises” or similar recognized places of

safe deposit, this exclusion shall not apply. This exception only applies to the extent that such loss would otherwise be insured under this Section of the Policy.

(iii) “Data” means representations of information or concepts, in any form.

(iv) “Data Problem” means the erasure, destruction, corruption, misappropriation or misinterpretation of “Data”; error in creating, amending, entering, deleting or using “Data”; or the inability to receive, transmit or use “Data”.

- (r) This Section of the Policy does not insure loss or damage caused directly or indirectly, in whole or in part, by “Terrorism” or by any activity or decision of a government agency or other entity to prevent, respond to or terminate “Terrorism”, regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.

The following definition is added:

“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.

### 3. Definitions

The following terms, as used in this Section of the Policy, shall have the respective meanings stated below:

“Fraudulent or Dishonest Acts” as used in this Section of the Policy shall mean only fraudulent or dishonest acts committed by such “Employee” with the manifest intent:

- (a) to cause the Insured to sustain such loss; and
- (b) to obtain financial benefit for the “Employee”, or for any other person or organization intended by the “Employee” to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.

The definition of “Fraudulent or Dishonest Acts” does not apply to paragraph 7 or paragraph 15 of this Section of the Policy.

“Money” means currency, coins, bank notes and bullion, and travellers cheques, register cheques and money orders held for sale to the public.

“Securities” means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include “Money”.

“Employee” means any natural person (except a director of the Insured, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the regular service of the Insured in the ordinary course of the Insured’s business, including persons hired through an intervening employment agency or employer, during the “Policy Period” and whom the Insured compensates directly or indirectly by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. As applies to loss under Insuring Agreement I, the above words “While in the regular service of the Insured” shall include the first 60 days thereafter; subject, however, to paragraph 15.

The term “Employee” is also deemed to include the following:



Any individual assigned to render service to the Insured in their capacity as volunteer worker whether compensated or not, and any other person duly authorized by the Insured to have care and custody of the Insured's "Money", "Securities" or other property, any director, officer, stockholder, member, church official, adherent, Board of Trustees or any member thereof, member of any committee duly elected or appointed to examine or audit the property of the Insured, solicitor, or clergy, while acting within the scope of his or her duties as such and any person who was formerly in one of these capacities with respect to acts performed on behalf of the Insured in that capacity, including while serving in campaigns of the Insured to raise funds.

This definition shall apply for the Named Insured and for such organizations that are owned, controlled, operated, affiliated and/or receive major part of financial support or direction from the Named Insured who have individual Certificates of Insurance issued in their name and on file with Insurer.

It is further agreed that an "Employee" of one Named Insured shall be considered to be an "Employee" (as defined herein) of any other Named Insured.

"Premises" means the interior of that portion of any building, which is occupied by the Insured in conducting its business. As respect "Robbery" only, the "Premises" shall also include the space immediately surrounding such building, provided such space is occupied by the Insured in conducting its business.

"Banking Premises" means the interior of that portion of any building, which is occupied by a banking institution in conducting its business.

"Messenger" means the Insured or a partner of the Insured or any "Employee" who is duly authorized by the Insured to have the care and custody of the insured property outside the "Premises".

"Policy Period" means the period of insurance as shown in the individual Certificate of Insurance.

"Custodian" means the Insured or a partner of the Insured or any "Employee" who is duly authorized by the Insured to have the care and custody of the insured property within the "Premises" excluding any person while acting as a watchman or porter.

"Robbery" means the taking of insured property: (1) by violence inflicted upon a "Messenger" or a "Custodian"; (2) by putting a person in fear of violence; (3) by any other overt felonious act committed in that person's presence and of which that person was actually cognizant, provided such other act is not committed by a partner or "Employee" of the Insured; (4) from the person or direct care and custody of a "Messenger" or "Custodian" who has been killed or rendered unconscious; or (5) under Insuring Agreement II and VII, the Definition of "Robbery" is extended to include, from within the "Premises" by means of compelling a "Messenger" or "Custodian" by violence or threat of violence while outside the "Premises" to admit a person into the "Premises" or to furnish that person with means of ingress into the "Premises"; or (6) from a showcase or show window within the "Premises" while regularly open for business, by a person who has broken the glass thereof from outside the "Premises".

"Safe Burglary" means the felonious abstraction of: (1) a safe from within the "Premises"; or (2) insured property from within a vault or safe located within the "Premises" by a person making felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by at least one combination or time lock thereon; provided such entry shall be made by actual force and violence, of which force and violence there are



visible marks made by tools, explosives, electricity or chemicals upon the exterior of: (a) all of said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors; or (b) the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made, if not made through such doors.

“Loss” except under Insuring Agreements I, V, VI, VII and VIII, includes damage.

“Computer Fraud” means the wrongful abstraction of “Money”, “Securities” or other property which follows and is related to the use of any computer to fraudulently cause the transfer of such property from inside the “Premises” or a “Banking Premises” or similar recognized place of safe deposit to a person (other than a “Messenger”) or to a place outside the “Premises”, subject to a maximum Limit of \$25,000. any one occurrence.

4. **Loss Caused by Unidentifiable Employees**

If a loss is alleged to have been caused by the “Fraudulent or Dishonest Acts” of any one or more of the “Employees” and the Insured shall be unable to designate the specific “Employee” or “Employees” causing such loss, the Insured shall nevertheless have the benefit of Insuring Agreement I, subject to the provisions of Exclusion 2 (b) of this Section of the Policy, provided that the evidence submitted reasonably proves that the loss was in fact due to the “Fraudulent or Dishonest Acts” of one or more of the said “Employees”, and provided, that the aggregate liability of the Insurer for any such loss shall not exceed the Limit of Liability applicable to Insuring Agreement I, as shown in the individual Certificate of Insurance.

5. **Ownership of Property, Interests Covered**

The insured property may be owned by the Insured, or held by the Insured in any capacity whether or not the Insured is liable for the loss thereof, or may be property as respects which the Insured is legally liable; provided Insuring Agreements II, III, IV and VII apply only to the interest of the Insured in such property, including the Insured's liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the Insured's proof of loss, in which event the third paragraph of paragraph 8, LOSS - NOTICE - PROOF - ACTION AGAINST INSURER is applicable to them.

6. **Books and Records**

The Insured shall keep records of all the insured property in such manner that the Insurer can accurately determine therefrom the amount of loss.

7. **Prior Fraud, Dishonesty or Cancellation**

The coverage of Insuring Agreement I shall not apply to any “Employee” from and after the time that the Insured or any partner or officer thereof not in collusion with such “Employee” shall have knowledge or information that such “Employee” has committed any “Fraudulent or Dishonest Act” in the service of the Insured or otherwise, whether such act be committed before or after the date of employment by the Insured. If, prior to the issuance of this Section of the Policy, any fidelity insurance in favour of the Insured or any predecessor in interest of the Insured and covering one or more of the Insured's “Employees” shall have been cancelled as to any of such “Employees” by reason of the giving of written notice of cancellation by the Insurer(s) issuing such fidelity insurance, whether this Insurer or not, and if such “Employee” shall not have been reinstated under the coverage of said fidelity insurance or superseding fidelity insurance, the Insurer shall not be liable on account of such “Employees” unless this Insurer shall agree in writing to include such “Employees” within the coverage of Insuring Agreement I.

**Loss – Notice – Proof – Action Against Insurer**

Upon the knowledge or discovery by the Insurance and Property Officer of the Insured or a position of similar responsibility or higher of an insured entity, of loss or of an occurrence which may give rise to a claim for loss, the Insured shall: (a) give notice thereof as soon as practicable to the Insurer and to HUB International HKMB Limited, Toronto, Ontario and, except under Insuring Agreements I, V and VI, also to the police if the loss is due to a violation of law; (b) file detailed proof of loss, duly sworn to, with the Insurer within six months after the discovery of loss.

Proof of loss under Insuring Agreement V and VI shall include the instrument which is the basis of claim for such loss, or if it shall be impossible to file such instruments, the affidavit of the Insured or the Insured's bank of deposit setting forth the amount and cause of loss, shall be accepted in lieu thereof.

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

No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Section of the Policy nor until ninety days after the required proofs of loss have been filed with the Insurer, nor at all unless commenced within two years from the date when the Insured discovers the loss.

**8. Valuation – Payments – Replacement**

In no event shall the Insurer be liable as respects "Securities" for more than the actual cash value thereof at the close of business on the business day immediately preceding the day on which the loss was discovered, nor as respects other property, for more than the actual cash value thereof at the time of loss; provided, however, the actual cash value of such other property held by the Insured as a pledge, or as collateral for an advance or loan, shall be deemed not to exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

The Insurer may, with the consent of the Insured, settle any claim for loss of property with the owner thereof. Any property for which the Insurer has made indemnification shall become the property of the Insurer.

In case of damage to the "Premises" or loss of property other than "Securities", the Insurer shall not be liable for more than the actual cash value of such property, or for more than the actual cost of repairing such "Premises" or property or of replacing same with property or material of like quality and value. The Insurer may, at its election, pay such actual cash value, or make such repairs or replacements. If the Insurer and the Insured cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration.

**10. Recoveries**

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



Any remainder shall be applied to the reimbursement of the Insurer, provided, however, that if the Insured shall sustain a loss under Insuring Agreement VI – Incoming Cheque Forgery, any reimbursement or recovery, whether recovered before or after payment of such loss, less the expense of collection, shall be divided between the Insured and the Insurer in such proportion that the net loss to the Insured and the Insurer after deducting such reimbursement or recovery shall be twenty-five percent (25%) and seventy-five percent (75%), respectively.

The net loss of the Insurer, after deducting any reimbursement or recovery, shall not in any event exceed the amount of insurance carried under Insuring Agreement VI – Incoming Cheque Forgery applicable to such loss.

11. **Limits of Liability**

Payment of loss under Insuring Agreements I, V or VI shall not reduce the Insurer's liability for other losses under the applicable Insuring Agreement whenever sustained. The Insurer's total liability: (a) under Insuring Agreement I, for any loss caused by any "Employee" or in which such person is concerned or implicated; or (b) under Insuring Agreement V & VI for all loss by forgery or alteration committed by any person or in which such person is concerned or implicated, whether such forgery or alteration involves one or more instruments; is limited to the applicable amount of insurance specified in the individual Certificate of Insurance or endorsement amendatory thereto. The liability of the Insurer for loss sustained by any or all of the Insureds on an individual Certificate of Insurance shall not exceed the amount for which the Insurer would be liable had all such loss been sustained by any one of the Insureds.

Except under Insuring Agreements I and V, the applicable limit of liability stated in the individual Certificate of Insurance is the total limit of the Insurer's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. All loss incidental to an actual or attempted fraudulent, dishonest or criminal act or series of related acts at the "Premises", whether committed by one or more persons, shall be deemed to arise out of one occurrence.

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

The Insurer's total liability for all loss caused by acts of any person or in which such person is concerned or implicated is limited to the sum stated in the individual Certificate of Insurance as applicable to Insuring Agreement VII. The liability of the Insurer for loss sustained by any or all of the Insureds shall not exceed the amount for which the Insurer would be liable had all such loss been sustained by any one of the Insureds.

The limits of liability as expressed in this Section of the Policy are in Canadian currency.

12. **Limit of Liability Under this Section of the Policy and Prior Insurance**

This condition shall apply only to Insuring Agreements I, V, VI and VIII.

With respect to loss caused by any person (whether one of the "Employees" or not), or in which such person is concerned or implicated or which is chargeable to any "Employee" as provided in Paragraph 4, Loss Caused by Unidentifiable Employees, and which occurs partly during the

"Policy Period" and partly during the period of other Bonds or Policies issued by the Insurer to the Insured or to any predecessor in interest of the Insured and terminated or cancelled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, the total liability of the Insurer under this Section of the Policy and under such other Bonds or Policies shall not exceed, in the aggregate, the amount carried under the applicable Insuring Agreement of this Section of the Policy on such loss or the amount available to the Insured under such other Bond or Policies, as limited by the terms and conditions thereof, for any such loss, if the latter amount be the larger.

13. **Other Insurance**

Except in the province of Quebec, if there is available to the Insured any other insurance or indemnity covering any loss covered by Insuring Agreement I, V, VI, VII or VIII, the Insurer shall be liable hereunder only for that part of such loss which is in excess of the amount recoverable or recovered from such other insurance or indemnity, except if such other insurance or indemnity is a bond or policy of fidelity insurance, any loss covered under both such fidelity insurance and Insuring Agreements V, VI, VII or VIII shall first be paid under Insuring Agreements V, VI, VII or VIII. Any loss covered under all Insuring Agreements I, V, VI, VII or VIII shall first be paid under Insuring Agreement V and VI and the excess, if any, shall be paid under Insuring Agreement I. If This Policy is governed by the law of Quebec, each of the Insurers under its respective contract is liable to the Insured for its rateable proportion of the loss. The Insurer waives any right of contribution which it may have against any forgery insurance carried by any depository bank which is indemnified under Insuring Agreement V.

Under any other Insuring Agreement, if there is any other valid and collectible insurance which would apply in the absence of such Insuring Agreement, the insurance under this Section of the Policy shall apply only as excess insurance over such other insurance, except in the province of Quebec where each of the insurers under its respective contract is liable to the Insured for its rateable proportion of the loss, provided the insurance shall not apply: (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance; or (b) to property otherwise insured unless such property is owned by the Insured.

14. **Subrogation**

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

15. **Cancellation as to Any Employee**

Insuring Agreement I shall be deemed cancelled as to any "Employee": (a) immediately upon discovery by the Insured, or by any partner or officer thereof not in collusion with such "Employee", of any "Fraudulent or Dishonest Act" on the part of such "Employee"; or (b) except in the province of Quebec, at 12:01 a.m. standard time as aforesaid, upon the effective date specified in a written notice mailed to the Insured. Such date shall be not less than fifteen days after the date of mailing. The mailing by the Insurer of notice as aforesaid to the Insured at the address shown in the individual Certificate of Insurance shall be sufficient proof of notice. Delivery of such written notice by the Insurer shall be equivalent to mailing. In the province of Quebec, cancellation shall be made by endorsement only.





16. **Assignments**

Assignment of interest under this Section of the Policy shall not bind the Insurer until its consent is endorsed hereon; if, however, the Insured shall die, or in the province of Quebec be declared bankrupt, this Section of the Policy shall cover the Insured's legal representative, or in the province of Quebec the trustee in bankruptcy, as Insured; provided that notice of cancellation addressed to the Insured named in the individual Certificate of Insurance and mailed to the address shown in this Section of the Policy shall be sufficient notice to effect cancellation of this Section of the Policy.

17. **Changes**

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

18. **Declarations**

By acceptance of this Section of the Policy, the Insured agrees that it embodies all agreements existing between the Insured and the Insurer or any of its agents relating to this insurance.

19. **No Benefit to Bailee**

This condition shall apply only to Insuring Agreements II, III and VII. The insurance afforded by this Section of the Policy shall not inure directly or indirectly to the benefit of any carrier or other bailee for hire.

20. **Cancellation of Section IV or Any Insuring Agreement**

This Section of the Policy or any Insuring Agreement may be cancelled by the Insured by mailing to the Insurer written notice stating when thereafter the cancellation shall be effective. This Section of the Policy or any Insuring Agreement may be cancelled by the Insurer by mailing to the Insured at the address shown in the Declarations of the Individual Certificate of Insurance, written notice stating when not less than ninety (90) days thereafter such cancellation shall be effective except in the province of Quebec where the notice of cancellation takes effect ninety (90) days after receipt by the Insured of the notice at the last known address. The mailing of notice as aforesaid shall be sufficient proof of notice.

The effective date of cancellation stated in the notice shall become the end of the "Policy Period" for any affected Insuring Agreement. Delivery of such written notice either by the Insured or by the Insurer shall be equivalent to mailing.

If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Insurer cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.



### Endorsement No. 1 Cheque Warranty

Forming Part of Section IV Policy No. HUB 1925

As a condition precedent to coverage under this Section of the Policy, the Insured warrants consistent compliance with the following criteria:

1. all cheques are to be consecutively numbered when first printed or received; and
2. all cheques over \$1,000 must be signed by two authorized signing officers, only after having been completed in full.

All other terms and conditions remain unchanged.

## Section V - Commercial General Liability Insurance

### Master Policy No. HUB 1925

In consideration of the agreed premium and subject to the Insuring Agreements, Definitions, Conditions and Exclusions and other terms of this Section of the Policy, the Insurer does agree:

#### 1. Insuring Agreements

1. To pay on behalf of the “Insured” all sums which the “Insured” shall become obligated to pay by reason of the liability imposed by law upon the “Insured” or assumed by the “Insured” under any “Contract” (as defined herein) for compensatory damages because of:
  - (a) “Bodily Injury” (as defined herein) sustained by any person or persons;
  - (b) “Personal Injury” (as defined herein);
  - (c) “Property Damage” (as defined herein) including physical injury of tangible property and loss of use.
2. To pay on behalf of the “Insured” all sums which the “Insured” shall be obligated to pay by reason of the liability imposed by law upon the “Insured” for compensatory damages arising out of errors and omissions committed during the “Policy Period” in the rendering of or failure to render professional services in the practice of:
  1. counselling or pastoral services usual to ecclesiastical operations performed by or on behalf of the Named Insured;
  2. early childhood education as defined in the Early Childhood Educators Act, 2007, S.O. 2007, Chapter 7, Schedule 8 and amendments.
3. To pay on behalf of the “Insured” all sums which the “Insured” shall become legally obligated to pay as compensatory damages because of the liability imposed upon the “Insured”, or assumed under “Contract” by the Named Insured for compensatory damages on account of Advertising Injury Liability.
4. To pay on behalf of the “Insured” all sums which the “Insured” shall become legally obligated to pay as compensatory damages, for injury to or destruction of structure(s) or portion(s) thereof and building fixtures permanently attached thereto, including loss of use thereof, leased to or occupied but not owned by the “Insured”, against direct physical loss or damage from any cause except as hereinafter excluded.
5. To pay on behalf of the “Insured” all sums which the “Insured” shall become obligated to pay by reason of the liability imposed by law under the Forest Fires Prevention Act, and subsequent amendments and regulations made thereunder and similar legislation enacted in other Provinces of Canada, in respect to costs and expenses for controlling and extinguishing forest fires occurring during the “Policy Period”.
6. To indemnify the “Insured” against loss of or damage to an elevator car, property owned, leased, occupied or used by or in the care, custody or control of the “Insured”, caused by accidental collision of the elevator car or any such property carried thereon with another object, provided that the liability of the Insurer shall not exceed the sum of \$100,000. in



respect to any one accident. The payment by the Insurer of the sum of \$100,000. shall release the Insurer from any further liability in respect of any accident. However, indemnity shall not be provided against claims arising out of loss of use in respect of property owned by the “Insured”; any loss resulting directly or indirectly from the breaking, burning out or disrupting of any electrical machine not located within the elevator car; loss or damage by fire, however caused.

The coverage provided under this Section of the Policy applies to an “Occurrence”, which occurs during the “Policy Period” and within the “Policy Territory”.

## 2. Additional Insuring Agreements

As respects insurance afforded by this Section and Endorsements attached thereto, the Insurer shall:

1. Defend in the name and on behalf of the “Insured” and at the cost of the Insurer, any claim or “Action” which may at any time be brought against the “Insured” even if such claim or “Action” is groundless, false or fraudulent, but the Insurer shall have the right to make such investigation, negotiation and settlement of any claim or “Action” as may be deemed expedient by the Insurer. The Insurer’s duty to defend shall cease upon exhaustion of its Limits of Liability upon payment of judgment or settlement.

If claim or “Action” is brought outside of Canada and the United States of America (including its territories and possessions), the Insurer shall have the right but not the duty to investigate and settle such claims and defend such “Actions”. As respects claims and “Actions” which the Insurer elects not to investigate, settle or defend, the “Insured”, under the supervision of the Insurer, shall make or cause to be made such investigation and defence as are reasonably necessary, and subject to prior authorization by the Insurer, will effect to the extent possible such settlement or settlements as the Insurer and the “Insured” deem prudent.

The Insurer shall reimburse the “Insured” for the reasonable costs of such investigation, settlement or defence.

2. Pay and satisfy all judgments rendered against the “Insured” and to protect the “Insured” against any levy of execution arising therefrom.
3. Pay:
  - (a) all expenses incurred by the Insurer for investigation, negotiation and defence of any claim or “Action”;
  - (b) all costs taxed against the “Insured” in any such “Action”;
  - (c) all premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this Section of the Policy and all premiums on appeal bonds required in any such defended “Action”, but without obligation to apply for or furnish such bonds;
  - (d) all interest accruing after entry of judgment and up to the date of payment by the Insurer of its share of any judgment;
  - (e) all reasonable expenses incurred at the Insurer’s request including actual loss of earnings,

and the amounts so incurred, except settlement of claims and prejudgment interest, are payable by the Insurer in addition to the applicable Limit of Liability



4. Civil and Criminal Defence Costs Reimbursement

- a) In a Criminal Action arising out of an “Occurrence” to which this insurance applies, the Insurer will reimburse the “Insured” for reasonable costs incurred by an “Insured” in defending charges brought against an “Insured” under the Criminal Code of Canada or the corresponding statute in the jurisdiction in which the charges were laid, provided that:
- (i) the criminal charges are in respect of, arise from, or are related to, an “Occurrence”, act, event, incident, situation, circumstance or happening, entirely taking place within the “Policy Territory” and “Policy Period”; and
  - (ii) the Insurer is notified as soon as practicable of any charge laid against an “Insured”; and
  - (iii) the “Insured” is either acquitted or all charges are withdrawn or dismissed, with prejudice by the responsible authorities; and
  - (iv) the reimbursement of costs incurred by an “Insured” will only be made following the acquittal or withdrawal or dismissal, with prejudice of all charges against the “Insured”.

The Insurer's Limit of Liability for Civil and Criminal Defence Costs Reimbursement shall be limited to \$50,000. each “Occurrence” and shall not exceed \$250,000. in the Aggregate applicable to each individual Certificate Holder regardless of the number of Insureds, charges or actions..

**3. Limits of Liability**

1. The limit of the Insurer's liability under Insuring Agreement A. 1. (a), (b) and (c) combined of this Section of the Policy shall be the amount stated in the individual Certificate of Insurance as Each Occurrence for damages for any one accident or “Occurrence” or series of accidents or “Occurrences” resulting from one cause and, subject to such limit the amount stated in the individual Certificate of Insurance as Aggregate for any number of accidents or “Occurrences” in any one “Policy Period”, if caused by the “Products/Completed Operations Hazard” (as defined herein). Refer also to Item 6. General Aggregate below.
2. All compensatory damages arising out of one lot of goods or products prepared or acquired by the Named Insured or by another trading under its name, shall be considered as arising out of one “Occurrence” as regards “Bodily Injury” Liability and one accident or “Occurrence” as regards “Property Damage” Liability.
3. The limit of the Insurer's liability under Insuring Agreement A. 2. of this Section of the Policy shall be the amount stated in the individual Certificate of Insurance as Each Occurrence (meaning one or more losses resulting from the same circumstances or the same event in the course of the “Insured's” profession which were rendered or should have been rendered to one or more persons) for all compensatory damages, including compensatory damages for death and for care and loss of services, because of each claim or “Action” covered hereby and, subject to such limit the amount stated in the individual Certificate of Insurance as Aggregate for all compensatory damages in any one period of twelve months terminating on an anniversary of the inception date of the Certificate of Insurance. Refer also to Item 6. General Aggregate below.
4. For the purpose of determining the limit of the Insurer's liability, all “Bodily Injury” or



“Property Damage” arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one “Occurrence”.

5. It is agreed that the Limits of Liability shall be as follows, applicable to each individual Certificate of Insurance:
  - (i) **Insuring Agreement A. 1. & 3.**  
\$2,000,000. Bodily Injury, Personal Injury, Property Damage or Advertising Injury Liability, Each Occurrence  
\$2,000,000. Annual Aggregate with respect to Products/Completed Operations Hazard (as defined herein)
  - (ii) **Insuring Agreement A. 2.**  
\$2,000,000. Each Occurrence Professional Services Errors and Omissions  
\$2,000,000. Professional Services Errors and Omissions Annual Aggregate
  - (iii) **Insuring Agreement A. 4.**  
\$2,000,000. Each Occurrence any one Location — Tenants' Legal Liability
  - (iv) **Insuring Agreement A. 5.**  
\$500,000. Each Occurrence — Forest Fire Fighting Expense
  - (v) **Insuring Agreement A.6.**  
\$100,000. Each Accident— Elevator Liability

If coverage for an accident or “Occurrence” is found under more than one Insuring Agreement described above under 5 (i) through (v), the highest individual Limit of Liability will apply to such accident or “Occurrence” and the other Limits of Liability that may apply shall not serve to contribute to, or respond as excess above, the individual highest Limit of Liability applicable.

**Refer also to Item 6. General Aggregate below.**

6. **General Aggregate**

The General Aggregate is the most the Insurer will pay under these coverages in any annual period or extension of an annual period as set out below. Notwithstanding the individual aggregate limits shown above, the Limit of Liability and Endorsement No. 4, Medical Payments are subject to a combined General Aggregate limit of \$10,000,000. applicable to each individual Certificate of Insurance.

The limits of this Section of the Policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the “Policy Period” shown in each individual Certificate of Insurance, unless the “Policy Period” is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Liability, individual Aggregates and the General Aggregate.

7. **Deductible**

Whenever a deductible is stated in the individual Certificate of Insurance as applicable to the coverage afforded by this Section of the Policy, the Insurer’s obligation applies only to compensatory damages in excess of such deductible amount and the Limits of Liability applicable to each “Occurrence” will be reduced by such deductible amount but any



Aggregate Limit for such coverage and the General Aggregate Limit shall not be reduced by the amount of this deductible.

The terms of this insurance, including those with respect to:

- a) the Insurer's right and duty to defend any "Action" seeking damages; and
- b) the "Insured's" duties in the event of an accident, "Occurrence", claim or "Action"; apply irrespective of the application of the deductible amount.

The Insurer 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, the "Insured" shall promptly reimburse the Insurer.

#### 4. Exclusions

1. Coverage under Insuring Agreement A. 1. (a) and (c) does not apply to:

**(a) Automobile**

"Bodily Injury" or "Property Damage" arising directly or indirectly, in whole or in part, out of the ownership, use or entrustment to others by or on behalf of the "Insured" of any "Automobile". Use includes operation and "Loading or Unloading". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "Bodily Injury" or "Property Damage".

This exclusion also applies to:

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

This exclusion applies even if the claims against any "Insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "Insured", if the "Occurrence" which caused the "Bodily Injury" or "Property Damage" involved the ownership, use or entrustment to others of any "Automobile".

This exclusion does not apply to:

- (1) "Bodily Injury" to an employee of the "Insured" on whose behalf contributions are made by or required to be made by the "Insured" under the provisions of any Canadian provincial or territorial workers' compensation law;
- (2) "Bodily Injury" or "Property Damage" arising out of a defective condition in, or improper maintenance of, any "Automobile" owned by the "Insured" while leased to others for a period of 30 days or more provided the lessee is obligated under contract to ensure that the "Automobile" is



insured;

- (3) the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment, but this exception does not apply when such equipment is used for the purpose of “Loading or Unloading” provided the operation of “Loading or Unloading” is not insured under a motor vehicle liability policy.

**(b) Aircraft or Watercraft**

“Bodily Injury” or “Property Damage” arising out of the ownership, maintenance, use or entrustment to others by or on behalf of any “Insured” of:

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

Use includes operation and “Loading or Unloading”.

This exclusion applies even if the claims against any “Insured” allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that “Insured”, if the “Occurrence” which caused the “Bodily Injury” or “Property Damage” involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft.

This exclusion does not apply to:

- (1) a watercraft while ashore on premises owned or rented by the “Insured”;
- (2) a watercraft that is:
  - (a) less than 10 metres long; and
  - (b) not being used to carry persons or property for a charge.
- (3) “Bodily Injury” to an employee of the “Insured” on whose behalf contributions are made by or required to be made by the “Insured” under the provisions of any Canadian provincial or territorial workers' compensation law, if the “Bodily Injury” results from an “Occurrence” involving watercraft.

**(c) Workers' Compensation**

The liability imposed upon or assumed by the “Insured” under any workers' compensation statute or for assessment by any workers compensation board except this exclusion shall not apply to claims arising out of the legal liability imposed upon the “Insured” at common law as extended by statute for injuries to employees of the “Insured” nor shall this exclusion apply to claims arising out of any liability assumed by the “Insured” under “Contract”.

**(d) Intentional Acts**

“Bodily Injury” caused intentionally by or at the direction of the “Insured”, but this exclusion shall not apply to any “Insured” who neither sanctioned nor was a party to the causing of the injury, nor in any event where such “Bodily Injury” was





caused in an attempt to prevent injury to others or damage to property.

2. Coverage under Insuring Agreement A. 1. (b) does not apply to claims for “Personal Injury”:
  - a) against any “Insured” who either committed, had knowledge of, or consented to, the willful violation of a penal statute or ordinance;
  - b) caused by acts committed in connection with advertising, publishing, broadcasting telecommunications, Internet or other information exchange products or services, except as provided by Insuring Agreement A. 3.;
  - c) arising out of errors and omissions made in the provision of computer design services, telecommunication services, Internet services and similar services.
3. Coverage under Insuring Agreement A. 1. (a) and (b) does not apply to any claim or “Action” arising directly or indirectly from acts of “Abuse” except as insured under SECTION VII:
  - (a)
4. Coverage under Insuring Agreement A. 1. (c) does not apply to “Property Damage” to:
  - (a) property owned or occupied by or leased to the “Insured”, property held by the “Insured” for sale or property entrusted to the “Insured” for storage or safekeeping; or
  - (b) except with respect to liability under side-track agreements, the use of elevators or escalators at premises owned, rented or controlled by the “Insured”, or liability assumed under any easement agreement or agreement required by Municipal by-law, which are covered by this Section of the Policy:
    - (i) property while on premises owned by or leased to the “Insured” for the purpose of having operations performed on such property by or on behalf of the “Insured”;
    - (ii) tools or equipment while being used by the “Insured” in performing its operations;
    - (iii) property in the custody of the “Insured” which is to be installed, erected or used in construction by the “Insured”;
    - (iv) that particular part of any property, not on premises owned by or rented to the “Insured”:
      - (A) upon which operations are being performed by or on behalf of the “Insured” at the time of the injury thereto, destruction thereof, or loss of use thereof, arising out of such operations; or
      - (B) out of which any injury, destruction, or loss of use arises; or
      - (C) the restoration, repair or replacement of which has been made or is necessary by reason of faulty workmanship thereon by or on behalf of the “Insured”.
    - (v) property which is being transported by the “Insured” by motor vehicle or team, including the “Loading or Unloading” thereof; or
    - (vi) to loss of use of tangible property which has not been physically injured or destroyed resulting from:



- (A) a delay in or lack of performance by or on behalf of the Named Insured of any “Contract”; or
- (B) the failure of the “Named Insured's Products” or work performed by or on behalf of the Named Insured to meet the level of performance, quality, fitness or durability warranted or represented by the Named Insured,

but this exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the “Named Insured's Products” or work performed by or on behalf of the Named Insured after such products or work have been put to use by any person or organization other than an “Insured”.

5. Coverage under Insuring Agreement A. 1. (a) and (c) does not apply to:

**Products Withdrawal**

Claims or expenses in connection with the withdrawal, inspection, repair, replacement, or loss of use of the “Named Insured's Products” or work completed by or for the Named Insured or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.

6. Coverage under Insuring Agreement A. 1. (a), (b), (c) and A. 2. does not apply to claims or “Actions” arising out of a criminal act committed by or at the direction of the “Insured”, or with the knowledge of or consent of the “Insured”, by any of its employees, in the commission of any dishonest, fraudulent, criminal or malicious act, in the violation of any law or ordinance, or while under the influence of hypnotics, narcotics or intoxicants but this exclusion shall not apply to any “Insured” who neither sanctioned nor was a party to the causing of the injury.
7. Coverage under Insuring Agreement A. 3. does not apply to claims made against the “Insured” for:
- (a) failure of performance of “Contract”, but this shall not relate to claims for unauthorized appropriation of ideas based upon alleged breach of an implied contract;
  - (b) infringement of registered trade mark, service mark or trade name by use thereof as the registered trade mark, service mark or trade name of goods or services sold, offered for sale or advertised, but this shall not relate to titles or slogans;
  - (c) incorrect description of any article or commodity;
  - (d) mistake in advertised price.
8. Coverage under Insuring Agreement A. 4. does not apply to claims arising out of:
- a) liability for damage assumed by the “Insured” under a contractual undertaking with the Insured's Landlord, except it does insure against the liability for damage for which in the absence of such undertaking the “Insured” would be otherwise liable;
  - b) gradual deterioration, ordinary wear & tear and mechanical or electrical breakdown or derangement, but does not exclude resultant loss or damage;
  - c) “Property Damage” expected or intended from the standpoint of the “Insured”.



9. Coverage under Insuring Agreement A. 5. does not provide indemnity for such expenses:
  - (a) of the “Insured” or of others on behalf of the “Insured”;
  - (b) of the Crown, or of the others at the direction of the Crown, in fighting fires on premises and/or lands owned, leased to or occupied by the “Insured” or on premises and/or lands which the “Insured” has the right to cut timber;
  - (c) assumed under any “Contract” with another;
  - (d) fines or penalties for which any “Insured” is liable by reason of their failure to comply with a statute, rule or regulation.
10. This insurance does not apply to claims arising out of Wrongful Dismissal.
11. This insurance does not apply to claims arising out of:
  - (a) **War Risks**

“Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury” arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury”.
  - (b) **Pollution**
    1. “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury” arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “Pollutants”:
      - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any “Insured”. However, this subparagraph does not apply to:
        - (i) “Bodily Injury” if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building’s occupants or their guests;
        - (ii) “Bodily injury” or “Property Damage” for which the “Insured” may be held liable, if the “Insured” is a contractor and the owner or lessee of such premises, site or location has been added to the “Insured’s” policy as an additional “Insured” with respect to the “Insured’s” 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”;
        - (iii) “Bodily Injury” or “Property Damage” arising out of heat, smoke or fumes from a “Hostile Fire”; or
        - (iv) “Bodily Injury” or “Property Damage” arising out of an unexpected or unintentional spill, discharge, emission, dispersal, seepage, leakage,



migration, release or escape of Pollutants provided such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “Pollutants”:

- 1) results in the injurious presence of “Pollutants” in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and
- 2) is detected within 120 hours after the commencement of the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape; and
- 3) is reported to the Insurer within 120 hours of being detected; and
- 4) does not occur in a quantity or with a quality that is routine or usual to the business of the “Insured”.

(b) At or from any premises, site or location which is or was at any time used by or for any “Insured” or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

- (i) any “Insured”; or
- (ii) any person or organization for whom the “Insured” may be legally responsible; or

(d) At or from any premises, site or location on which any “Insured” or any contractors or subcontractors working directly or indirectly on any “Insured’s” behalf are performing operations if the “Pollutants” are brought on or to the premises, site or location in connection with such operations by such “Insured”, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) “Bodily injury” or “Property Damage” arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment that is not an “Automobile” or its parts, if such fuels, lubricants or other operating fluids escape from a mobile equipment part designed to hold, store or receive them. This exception does not apply if the “Bodily Injury” or “Property Damage” arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such “Insured”, contractor or subcontractor;
- (ii) “Bodily Injury” or “Property Damage” sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by or on behalf of the “Insured” by a contractor or subcontractor;
- (iii) “Bodily Injury” or “Property Damage” arising out of heat, smoke or fumes from a “Hostile Fire”; or
- (iv) “Bodily Injury” or “Property Damage” arising out of an unexpected or



unintentional spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of Pollutants provided such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “Pollutants”:

- 1) results in the injurious presence of “Pollutants” in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and
- 2) is detected within 120 hours after the commencement of the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape; and
- 3) is reported to the Insurer within 120 hours of being detected; and
- 4) does not occur in a quantity or with a quality that is routine or usual to the business of the “Insured”.

Section (1) Subparagraph (a) (iv) and (d) (iv) does not apply to an underground storage tank unless such tank:

- a. is less than 10 years old if located in the Maritime provinces of New Brunswick, Nova Scotia, Newfoundland and Nova Scotia; or
  - b. is less than 15 years old if located in any other province or territory of Canada.
- (e) At or from any premises, site or location on which any “Insured” or any contractors or subcontractors working directly or indirectly on any “Insured’s” behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, “Pollutants”.

(2) Any loss, cost or expense arising out of any:

- (a) request, demand, order or statutory or regulatory requirement that any “Insured” or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, “Pollutants”; or
- (b) claim or “Action” by or on behalf of a governmental authority for compensatory damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, “Pollutants”.

However, this Section (2) does not apply to liability for compensatory damages because of “Property Damage” that the “Insured” would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or “Action” by or on behalf of a governmental authority.

“**Hostile Fire**” means one which becomes uncontrollable or breaks out from where it was intended to be.

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

**(c) Nuclear**

- (i) Liability imposed by or arising from any nuclear act, law or statute or any law amendatory thereof;
- (ii) “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury” with respect to which an “Insured” under this Section of the 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;
- (iii) “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury” resulting directly or indirectly from the “Nuclear Energy Hazard” arising from:
  - (A) the ownership, maintenance, operation or use of a “Nuclear Facility” by or on behalf of an “Insured”;
  - (B) the furnishing by an “Insured” of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any “Nuclear Facility”; and
  - (C) 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 usable 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”, “Personal Injury”, “Property Damage” or “Advertising Injury”.

12. This insurance does not apply to claims arising out of:

the rendering of or failure to render professional services except with respect to “Incidental Medical Malpractice Injury” (as defined herein) and coverage provided under Insuring Agreement A. 2.

13. Data

This insurance does not apply to:

- a) “Bodily Injury” or “Property Damage” arising out of:
  - (i) erasure, destruction, corruption, misappropriation, misinterpretation of “Data”;
  - (ii) erroneously creating, amending, entering, deleting or using “Data”, including any loss of use arising therefrom.
- b) “Personal Injury” arising out of the distribution or display of “Data”, by means of an Internet Website, the Internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of “Data”.



14. Terrorism

This insurance does not apply to “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury” arising 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 regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury”.

15. Asbestos

“Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury” related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of asbestos or any materials containing asbestos in 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”, “Personal Injury”, “Property Damage” or “Advertising Injury”.

16. Fungi or Spores

This insurance does not apply to:

- a) “Bodily Injury”, “Personal Injury”, “Property Damage”, “Advertising Injury” or any other cost, loss or expense incurred by others, arising directly or indirectly, from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any “Fungi” or “Spores” however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of “Fungi” or “Spores”; or
- b) any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a) above; or any obligation to pay compensatory damages, share compensatory damages with or repay someone else who must pay damages because of such injury or damage referred to in a) or b) above.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury”.

This exclusion shall not apply to “Bodily Injury” or “Property damage” which results directly from:

1. a “Products/Completed Operations Hazard” not otherwise excluded by this Section of the Policy.



The most we will pay under this exception for all “Bodily Injury” and “Property Damage” in any “Policy Period” is \$250,000.

The Limit of Insurance provided by this exception shall be included in and is not in addition to any other Limits of Insurance provided for “Bodily Injury” or “Property Damage” under this Section of the Policy.

## 5. Definitions

1. The unqualified word “Insured” includes the Named Insured and:
  - (a) Any partner, officer, director, stockholder, member, church official, adherent, board of trustees or advisory board or committee or member thereof, governor, administrator, or technician, clergy, overseas personnel, employee, student, temporary worker, or volunteer of the Insured while acting within the scope of his or her duties or while acting on behalf of the Named Insured as such and any person who was formerly in one of these capacities with respect to acts performed on behalf of the Named Insured in that capacity; acts performed shall include failure or omission to act.
  - (b) The United Church of Canada, its Conferences, Presbyteries, organizations forming the administrative boards of The United Church of Canada, and such organizations or interests that are owned, controlled, operated, affiliated and/or receive major part of financial support or direction from any one or more of the Named Insureds.
  - (c) Any person, firm, organization, corporation or government body in whose name the Named Insured has by agreement contracted to provide insurance as provided by this Section of the Policy, but the insurance provided for such additional Insured is restricted to apply solely to liability arising out of the Named Insured's operations.
  - (d) Social Clubs and Staff Associations of the Named Insured.
2. “Abuse” means molestation, harassment, corporal punishment or any form of physical or mental abuse committed or alleged to have been committed by the “Insured”, as defined herein, during the “Policy Period”.
3. “Action” means a civil proceeding in which compensatory damages because of “Bodily Injury”, “Personal Injury”, “Property Damage” or “Advertising Injury” to which this insurance applies are alleged. “Action” includes an arbitration proceeding alleging such damages to which the “Insured” must submit or submit with the Insurers consent.
4. “Advertisement” means a notice that is broadcast or published to the general public or specific market segments about the “Insured's” goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:
  - (i) notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - (ii) regarding websites, only that part of a website that is about the “Insured's” goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.





5. “Advertising Injury” means:
  - (a) Libel, slander or defamation;
  - (b) Any infringement of copyright, of trademark, of title or of slogan;
  - (c) Piracy or unfair competition or idea misappropriation under an implied contract;
  - (d) Any invasion of right of privacy; and
  - (e) Any such other liabilities as are specifically insured by this Section of the Policy;committed or alleged to have been committed in any “Advertisement”, publicity article, broadcast or telecast and arising out of the Named Insured’s advertising activities.
6. “Automobile” means a land motor vehicle, trailer or semi trailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any attached machinery or equipment.
7. “Bodily Injury” means:

Bodily injury, sickness, disease, disability, shock, mental anguish, mental injury or humiliation sustained by a person, including death resulting from any of these at any time, other than bodily injury as defined under “Abuse”.
8. “Contract” means any contract or agreement. This definition shall include any liability imposed upon the “Insured” by any statute.
9. “Data” means representations of information or concepts, in any form.
10. “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.
11. “Incidental Medical Malpractice Injury” means injury arising out of the rendering of or failure to render, during the “Policy Period”, the following services:
  - a. medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or
  - b. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances,by any “Insured” or indemnitee causing the “Incidental Medical Malpractice Injury” who is not engaged in the business or occupation of providing any of the services described in a) and b) above.
12. “Loading or Unloading” means the handling of property:
  - a. after it is moved from the place where it is accepted for movement into or onto an:
    - (1) aircraft or watercraft ;
    - (2) “Automobile” by means of attached machinery that is designed for and used exclusively for the purpose of loading and unloading of the “Automobile” to which it is attached and has no other purpose;
  - b. while it is in or on an aircraft, watercraft or “Automobile”; or
  - c. while it is being removed from an:
    - (1) aircraft or watercraft;
    - (2) “Automobile” by means of attached machinery that is designed for and used exclusively for the purpose of loading and unloading of the



“Automobile” to which it is attached and has no other purpose;  
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”.

13. “Named Insured’s Products” means goods or products manufactured, sold, handled or distributed by the Named Insured or by others trading under its name, including any container thereof (other than a vehicle), but shall not include a vending machine or any property other than such container, rented to or located for use of others but not sold.

14. “Nuclear Energy Hazard”:

(a) The term “Nuclear Energy Hazard” means the radioactive, toxic, explosive, or other hazardous properties of “Radioactive Material”.

(b) The term “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.

(c) The term “Nuclear Facility” means:

(i) 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;

(ii) any equipment or device designed or used for: separating the isotopes of plutonium, thorium and uranium or any one or more of them, processing or utilizing spent fuel, or handling, processing or packaging waste;

(iii) 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 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;

(iv) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive materials,

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.

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

15. “Occurrence” means an accident, happening or event, and includes a continuous or repeated exposure to conditions which results in loss, damage, injury or liability neither expected nor intended from the standpoint of the “Insured”.

All loss, damage, injury or liability arising out of a continuous or repeated exposure to



substantially the same general conditions shall be considered as arising out of one occurrence.

16. “Personal Injury” means:

Injury arising out of one or more of the following offences committed in the conduct of the Named Insureds operations during the “Policy Period”:

- (a) False arrest, detention or imprisonment, or malicious prosecution;
- (b) Invasion of privacy, humiliation, harassment, wrongful eviction or wrongful entry or other invasion of the right of private occupancy;
- (c) Libel, slander, disparagement or defamation of character;
- (d) Discrimination, except in such jurisdictions where by legislation, court decisions or administrative ruling such insurance is prohibited or held to violate the law or public policy of any such jurisdiction.

17. “Policy Period” means the period of insurance as shown in the individual Certificate of Insurance.

18. “Policy Territory” means:

- a. Canada and the United States of America (including its territories and possessions); or
- b. anywhere in the world; provided the “Insured’s” responsibility to pay damages is determined in an “Action” on the merits, in the territory described in a. above or in a settlement agreed to by the Insurer.

19. “Products/Completed Operations Hazard” means:

(a) Products Hazard means:

“Bodily Injury” and “Property Damage” arising out of the “Named Insured’s Products” but only if such “Bodily Injury” or “Property Damage” occurs away from premises owned by or rented to the Named Insured and after physical possession of such products has been relinquished to others.

(b) Completed Operations Hazard means:

(i) “Bodily Injury” and “Property Damage” arising out of operations, but only if the “Bodily Injury” or “Property Damage” occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the Named Insured. Operations include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

- (A) when all operations to be performed by or on behalf of the Named Insured under the contract have been completed;
- (B) when all operations to be performed by or on behalf of the Named Insured at the site of the operations have been completed;
- (C) when the portion of the work out of which the “Bodily Injury” or “Property Damage” arises has been put to its intended use by any persons or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work, or



correction or repair or replacement because of any defect or deficiency, but which are otherwise complete shall be deemed completed.

(ii) The Completed Operations Hazard shall not include:

- (A) operations in connection with the pickup and delivery of property;
- (B) the existence of tools, uninstalled equipment or abandoned or unused materials.

20. “Property Damage” means:

- (a) physical injury to or destruction of tangible property, including the loss of use thereof resulting therefrom; or
- (b) loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by an “Occurrence”.

21. “Spores” include, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from, or arising out, of any “Fungi”.

22. “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 public or a section of the public.

## 6. General Conditions

### 1. Notice of Accident, Occurrence, Claim or Action

Upon the happening of an accident or “Occurrence” which may give rise to a claim hereunder, the “Insured” shall give notice thereof as soon as practicable after notice has been received by the Chair of Trustees of the “Insured”, to the Insurer, its authorized insurance adjusters or HUB International HKMB Limited.

Such notice shall contain all available information pertaining to such accident or “Occurrence” which is obtainable at the time including the names and addresses of injured persons and of witnesses.

If claim is made or “Action” is brought against the “Insured”, the “Insured” shall immediately forward to the Insurer every demand, notice, summons or other process received by the “Insured” or by the “Insured’s” representative.

### 2. Assistance and Co-operation

The “Insured” shall co-operate with the Insurer and, upon the Insurer’s request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the “Insured” because of injury or damage with respect to which insurance is afforded under this Section of the Policy; and the “Insured” shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

The Insurer shall not settle any claim without the consent of the Named Insured. If, however, the Named Insured shall refuse to consent to any settlement recommended by the Insurer and shall elect to contest or continue any legal proceedings in connection with such claim, the Insurer’s liability for the claim shall not exceed the amount for which the claim could have been settled, plus the costs and expenses incurred with their consent up to the date of such refusal.



It is further agreed that although this clause can apply to all Named Insureds, its application is at the option of The United Church of Canada only.

3. **Assumption of Liability**

No “Insured” shall, except at their own cost, voluntarily make a payment, assume any obligation or incur any expense, other than for first aid, without the Insurer’s consent.

4. **Action Against Insurer**

No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Section of the Policy, nor until the amount of the Insured’s obligation to pay shall have been finally determined either by judgment against the “Insured” after actual trial or by written agreement of the “Insured”, the claimant and the Insurer. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Section of the Policy to the extent of the insurance afforded by this Section of the Policy.

Every action or proceeding against the Insurer shall be commenced within one year next after the date of such judgment or written agreement (or, in those jurisdictions where statute prescribes differently, such prescribed period) and not afterwards. Nothing contained in this Section of the Policy shall give any person or organization any right to join the Insurer as a co-defendant in any “Action” against the “Insured” to determine the Insured’s liability.

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

5. **Inspection**

The Insurer shall be permitted to inspect the insured premises and operations at any reasonable time during the “Policy Period” and any extension thereof as far as they relate to the premium basis or the subject matter of this insurance. The Insurer waives no right and undertakes no responsibility by reason of such inspection or the omission thereof.



6. **Other Insurance**

The insurance afforded by this Section of the Policy is primary insurance, except when stated to apply in excess of, or contingent upon the absence of, other insurance. When this insurance is primary and the “Insured” has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Insurer’s liability under this Section of the Policy shall not be reduced by the existence of such other insurance. When both this insurance and other insurance apply to the loss on the same basis whether primary, excess or contingent, the Insurer shall not be liable under this Section of the Policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

(a) **Contribution by Equal Shares**

If all of such valid and collectible insurance provides for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than would be payable if each insurer equals the lowest applicable limit of liability under one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

(b) **Contribution by Limits**

If any of such other insurance does not provide for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than the applicable limit of liability under this Section of the Policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

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

7. **Subrogation**

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

8. **Changes**

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



9. **Assignment**

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

10. **Special Statutes**

Terms of this Section of the Policy which are in conflict with the statutes of the province wherein this Section of the Policy is applicable are hereby amended to conform to such statutes.

11. **Cross Liability and Severability of Interests**

The insurance under this Section of the Policy applies individually as to the interest of each individual “Insured” covered by this Section of the Policy and shall apply in the same manner and to the same extent as if a separate policy had been issued to each individual “Insured”. Any act by one “Insured” that would disentitle that “Insured” to the insurance provided by this Section of the Policy shall not disentitle any other “Insured”. This provision shall not be deemed to increase the Limits of Liability of this Section of the Policy.

12. **Policy Territory**

This insurance applies only to losses which occur within the “Policy Territory” as defined herein.

13. **Endorsements**

At the time of policy issuance, Endorsements 1-8 inclusive form part of this Section of the Policy.

14. **Termination**

a. The first Named Insured shown in the Declarations of the individual Certificate of Insurance may terminate this insurance by mailing or delivering to the Insurer advance written notice of termination.

b. Subject to paragraph c. below, the Insurer may terminate this insurance by giving to the first Named Insured:

(1) 5 days written notice of termination personally delivered; or

(2) 15 days notice of termination by registered mail if termination is for non-payment of premium; or

(3) 90 days notice of termination by registered mail if termination is for any other reason.

Registered mail termination takes effect 15 or 90 days after receipt of the letter by the post office to which it is addressed, depending upon the reason for termination.



- c. To the extent that the Civil Code of the Province of Quebec is applicable to this Section of the Policy, General Conditions and Provisions as set out in the Civil Code of the Province of Quebec apply. Accordingly, the Insurer may terminate this insurance by giving to the first Named Insured:
- (1) 15 days notice of termination by registered mail if termination is for non-payment of premium; or
  - (2) 90 days notice of termination by registered mail if termination is for any other reason.
- Registered mail termination takes effect 15 or 90 days after receipt of the notice at the last known address of the first Named Insured, depending upon the reason for termination.
- d. The policy period will end on the date termination takes effect.
- e. If this insurance is terminated, the Insurer will send the first Named Insured any premium refund due. If the Insurer terminates, the refund will be pro rata. If the first Named Insured terminates, the refund may be less than pro rata. The termination will be effective even if the Insurer has not made or offered a refund.

15. **Representations or Fraud**

By accepting this insurance, the “Insured” agrees:

- a. the statements in the Declarations of the individual Certificate of Insurance are accurate and complete;
- b. those statements are based upon representations the “Insured” made to the Insurer;
- c. the Insurer has issued the policy in reliance upon the “Insured's” representations; and
- d. the policy is void in any case of fraud by any “Insured” as it relates to this insurance or any claim under this insurance.



## Communicable Disease Exclusion

L34 (15Sept20)

Attached to and forming part of the United Church Commercial General Liability Forms. Unless specifically defined below, words and phrases in quotations have special meanings as defined in the attached Commercial General Liability Form (as indicated on the coverage summary).

This insurance does not apply to:

“Bodily injury”, “property damage”, or “personal and advertising injury” or any other cost, loss or expense, arising directly or indirectly, in whole or in part, from of the actual, alleged, or threatened contact with, exposure to, existence of, presence of, spread of, or infection by any “communicable disease”, however caused.

For greater clarity, this exclusion applies to expenses or costs incurred even if one or more of the claims against the insured allege negligence or other wrongdoing in the:

- a. supervision, hiring, employment, training or monitoring of others resulting in the spread of a “communicable disease”;
- b. monitoring of, testing for, responding to or otherwise assessing a “communicable disease”;
- c. failure to abate, clean, contain, decontaminate, detoxify, prevent, mitigate, neutralize, remove or otherwise stop the spread of any “communicable disease”;
- d. failure to comply with any law, ordinance, order, announcement, pronouncement, advice, recommendation, suggestion or guidance, whether written or oral, of or made by any governmental or quasi-governmental entity, agency or other organization with authority (whether delegated or otherwise); or
- e. failure to report any “communicable disease” to any such entity, agency or organization referred to in sub-clause d. above.

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

Additional Definition “Communicable disease” means:

- a. any form of pathogen or microorganism including but not limited to any virus, bacteria, “fungi”, “spores”, mycotoxins, parasites or any groups or colonies of the foregoing; or
- b. any disease arising from or symptom manifested due to any such pathogen or microorganism; or
- c. the threat or fear (whether actual or perceived) of (a) or (b) whether rational or unfounded.

In the event of any inconsistency between any terms of this policy, the terms set out in this exclusion shall take precedence over any other terms in the policy wording.

Except as otherwise provided in this exclusion, all terms, provisions and conditions of the Commercial General Liability shall have full force and effect.



### SPF No. 6 Non-Owned Automobile Insurance

Forming Part of Section V Policy No. HUB 1925

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

1. Full name of the application: **As per individual declarations/certificates of insurance**  
Postal Address:  
(Including County or District)
2. Policy Period : **As per individual declarations/certificates of insurance**  
12.01 A.M. Standard time at the Applicant's address stated herein as to each of said dates
3. The automobiles in respect of which insurance is to be provided are those not owned in whole or in part by, nor licensed in the name of the application, used in the applicant's business of: **As per individual declarations/certificates of insurance**
4. The Applicant's partners, officers, employees and agendas as of the date of this application are as follows:

Partners, Officers and employees who regularly use automobiles not owned by the application in the Applicant's business

All other partners officers and employees

All Applicant's agents

5. "Hired Automobiles" – the automobiles hired by the Applicant are as follows:

TYPE OF AUTOMOBILE

ESTIMATED COST OF HIRE

RATES PER \$100 OF COST OF HIRE

ADVANCE PREMIUM

**C O V E R E D I F A N Y T O B E R E P O R T E D**

The advance premium is subject to adjustment at the end of the policy

6. "Automobiles operated under contract" on behalf of the Applicant are as follows:

TYPE OF AUTOMOBILE AND DESCRIPTION OF USE

ESTIMATED CONTRACT COST

RATES PER \$100 OF CONTRACT COST

ADVANCE PREMIUM

**C O V E R E D I F A N Y T O B E R E P O R T E D**

The advance premium is subject to adjustment at the end of the policy



7. This Application is made for insurance against the perils mentioned in this item and upon the terms and conditions of the insurer's corresponding standard policy form and for the following specified limit

**INSURING AGREEMENT**

SECTION A Third Party Liability

**PERILS**

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

**LIMIT**

\$ as per individual declarations/certificates of insurance (exclusive of interest and costs) for loss or damage resulting from bodily injury to or death of one or more persons, and for loss or damage to property regardless of the number of claims arising from any one accident

**COMBINED PREMIUMS**

- \$ as per individual declarations/certificates of insurance
- Endorsements - as per individual declarations/certificates of insurance
- Minimum retained premium – NIL
- Total premium - as per individual declarations/certificates of insurance

8. Has any insurer cancelled, declined or refused to renew or issue automobile insurance to the Applicant within three years preceding this application? If so, state name of insurer:

**AS KNOWN TO COMPANY**

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

**AS KNOWN TO COMPANY**

10. All the statements in this application are true and the Applicant hereby applied for a contract of automobile insurance to be based on the truth of the said statements

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



## INSURING AGREEMENT

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

### SECTION A - THIRD PARTY LIABILITY

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

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

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

- a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or
- \*b) for any liability imposed upon any person insured by this policy:
  - (1) by any workmen's compensation law; or
  - (2) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or
- c) for any liability assumed by any person insured by this policy voluntarily under any contract or agreement; or
- d) for loss or damage to property carried in or upon an automobile personally driven by any person insured by this policy or to any property owned or rented by, or in the care, custody or control of any such person; or
- e) for any amount in excess of the limit stated in Item 7 of the application, and expenditures provided for in the Additional Agreements of this policy; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

\* Not applicable in the Province of Ontario

### ADDITIONAL AGREEMENTS OF INSURER

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

- 1) upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and
- 2) to defend in the name and on behalf of any person insured by this policy and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- 3) to pay all costs taxed against any person insured by this policy in any civil action defended by the Insurer and any interest accruing after entry of judgment upon that part of the judgment which is



within the limits of the Insurer's liability; and

- 4) in case the injury be to a person, reimburse any person insured by this policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- 5) be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated in section A of Item 7 of the application; and
- 6) not set up any defence to a claim that might not be set up if the policy were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

### **AGREEMENTS OF INSURED**

Where indemnity is provided by this section, every person insured by this policy:

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

### **GENERAL PROVISIONS AND DEFINITIONS**

#### **1. ADDITIONAL INSURED**

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

- a) in the business of the Insured stated in Item 3 of the application, any automobile not owned in whole or in part by or licensed in the name of:
  - (i) the Insured; or
  - (ii) such additional insured person; or
  - (iii) any person or persons residing in the same dwelling premises as the Insured or such additional insured person; or
- b) any automobile hired or leased in the name of the Insured except an automobile owned in whole or in part or licensed in the name of such additional insured person.

#### **2. TERRITORY**

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

#### **3. HIRED AUTOMOBILES DEFINED**

The term "Hired Automobiles" as used in this policy means automobiles hired or leased from others



with or without drivers, used under the control of the Insured in the business stated in Item 3 of the application but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

#### **4. AUTOMOBILES OPERATED UNDER CONTRACT DEFINED**

The term "Automobiles Operated under Contract" as used in this policy shall mean automobiles operated in the business of the Insured stated in Item 3 of the application where the complete supervision, direction and control of such automobiles remain with the owner thereof, but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

#### **5. TWO OR MORE AUTOMOBILES**

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

#### **6. PREMIUM ADJUSTMENT**

The Advance Premium stated in Item 5 of the application is computed on the estimated total "cost of hire" for the policy period. The words "cost of hire" as used herein mean the entire amount incurred for "Hired Automobiles" and drivers when such automobiles are hired with drivers or the amount incurred for hired automobiles and the wages paid to drivers when such drivers are employees of the Insured.

The Advance Premium stated in Item 6 of the application is computed on the estimated total "contract cost" for the policy period. The words "contract cost" as used herein mean the entire amount paid by the Insured for "Automobiles Operated under Contract" to the owners thereof.

The Advance Premiums are subject to adjustment at the end of the policy period when the Insured shall deliver to the Insurer a written statement of the total amounts expended for cost of hire during the policy period. If such amounts exceed the estimates stated in the application, the Insured shall immediately pay additional premium at the rates stated therein; if less, the Insurer shall return to the Insured the unearned premium when determined but the Insurer shall, in any event, receive or retain not less than the Minimum Retained premium stated therein.

The Insurer shall have the right and opportunity, whenever the Insurer so desires, to examine the books and records of the Insured to the extent they relate to the premium bases or the subject matter of this policy.

## STATUTORY CONDITIONS

### (YUKON TERRITORY, NORTHWEST TERRITORIES, ALBERTA, ONTARIO, NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND AND NEWFOUNDLAND)

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

NOTE: All of the Statutory Conditions contain the above wording. However, - in all of the Provinces and Territories using these standard, approved forms, only Statutory Conditions 1, 8 and 9 are made applicable to accident benefits insurance and uninsured motorist insurance where it is provided by the contract.

- in the Northwest Territories the definition of "insured person" must be read as containing in addition the words "and includes any person to whom benefits may be payable under the accident benefits set out in the Schedule to the Insurance Ordinance."

### Material Change in Risk

1. 1) The Insured named in this contract shall promptly notify the Insurer or its local agent in writing of any change in the risk material to the contract and within the Insured's knowledge.
- 2) Without restricting the generality of the foregoing, the words "change in the risk material to the contract" include:
  - a) any change in the insurable interest of the Insured named in this contract in the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings under the Bankruptcy Act (Canada);and in respect of insurance against loss of or damage to the automobile:
  - b) any mortgage, lien or encumbrance affecting the automobile after the application for this contract;
  - c) any other insurance of the same interest, whether valid or not, covering loss or damage insured by this contract or any portion thereof.

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

### Prohibited Use by Insured

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



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

**Prohibited Use by Others**

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

**Requirements Where Loss or Damage to Persons or Property**

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

**Requirements Where Loss or Damage to Automobile**



4. 1) Where loss of or damage to the automobile occurs, the Insured shall, if the loss or damage is covered by this contract:
  - a) promptly give notice thereof in writing to the Insurer with the fullest information obtainable at the time;
  - b) at the expense of the Insurer, and as far as reasonably possible, protect the automobile from further loss or damage; and
  - c) deliver to the Insurer within ninety days after the date of the loss or damage a statutory declaration stating, to the best of the Insured's knowledge and belief, the place, time, cause and amount of the loss or damage, the interest of the Insured and of all others therein, the encumbrances thereon, all other insurance, whether valid or not, covering the automobile and that the loss or damage did not occur through any willful act or neglect, procurement, means or connivance of the Insured.
- 2) Any further loss or damage accruing to the automobile directly or indirectly from a failure to protect it as required under sub-condition (1) of this condition is not recoverable under this contract.
- 3) No repairs, other than those that are immediately necessary for the protection of the automobile from further loss or damage, shall be undertaken and no physical evidence of the loss or damage shall be removed:
  - a) without the written consent of the Insurer; or
  - b) until the Insurer has had a reasonable time to make the examination for which provision is made in statutory condition 5.

#### **Examination of Insured**

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

#### **Insurer Liable for Cash Value of Automobile**

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

#### **Repair or Replacement**

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

**No Abandonment; Salvage**

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

**In Case of Disagreement**

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

**Inspection of Automobile**

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

**Time and Manner of Payment of Insurance Money**

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

**When Action May be Brought**

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

**Limitation of Actions**

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

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

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

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



damage to the automobile shall be commenced within two years from the time the loss or damage was sustained and not afterwards."

#### Who May Give Notice and Proofs of Claim

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

#### Termination

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

NOTE: In the Northwest Territories, paragraph (a) of sub-condition 1 has the following words added:

"and by notifying the registrar of motor vehicles as required by the Vehicles Ordinance".



**Notice**

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

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

In Witness Whereof, the Insurer has executed and attested these presents but this Policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.

## S.E.F. No. 94 - Legal Liability for Damage to Hired Automobiles Endorsement

In consideration of the premium charged, it is understood and agreed that the Non-owned Automobile policy to which this endorsement is attached is extended, subject always to the condition that the Insurer shall be liable under the subsection or subsections of the Insuring Agreement hereof for which a premium is stated and no other.

### LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES

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

**Subsection 1 ALL PERILS - from all perils;**

**Subsection 2 COLLISION OR UPSET - caused by collision with another object or by upset;**

**Subsection 3 COMPREHENSIVE - from any peril other than by collision with another object or by upset.**

The words "Another Object" as used in this subsection shall be deemed to include (a) a vehicle to which the automobile is attached and (b) the surface of the ground and any object therein or thereon.

Loss or damage caused by missiles, falling or flying objects, fire, theft, explosion, earthquake, windstorm, hail, rising water, malicious mischief, riot or civil commotion shall be deemed loss or damage for which insurance is provided under this subsection 3.

**Subsection 4 SPECIFIED PERILS - caused by fire, lightning, theft or attempt thereof, windstorm, earthquake, hail, explosion, riot or civil commotion, falling or forced landing of aircraft or of parts thereof, rising water, or the stranding, sinking, burning, derailment or collision of any conveyance in or upon which the automobile is being transported on land or water.**

### DEDUCTIBLE CLAUSE

Each occurrence causing loss or damage covered under any subsection hereof, except loss or damage caused by fire or lightning or theft of the entire automobile covered by such subsection, shall give rise to a separate claim in respect of which the Insurer's liability shall be limited to the amount of loss or damage in excess of the amount of deductible, if any, stated in the Declarations as applicable to the subsection hereof under Section B – Non-owned Automobile.

### TWO OR MORE AUTOMOBILES

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



### EXCLUSIONS

The Insurer shall not be liable:

- (1) for loss or damage to any automobile while personally driven by the Insured if the Insured is an individual; or
- (2) under any subsection hereof for loss or damage:
  - (a) to tires or consisting of or caused by mechanical fracture or breakdown of any part of an automobile or by rusting, corrosion, wear and tear, freezing or explosion within the combustion chamber unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire theft or malicious mischief covered by such subsection; or
  - (b) to any automobile while being used without the consent of the owner thereof; or
  - (c) caused directly or indirectly by contamination by radioactive material; or
  - (d) to contents of trailers or to rugs or robes; or
  - (e) to tapes and equipment for use with a tape recorder when detached there from; or
  - (f) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by the operation of armed forces while engaged in hostilities whether war be declared or not; or
  - (g) for any amount in excess of the limit stated in the stated in the Declarations as applicable to Section B – Non-owned Automobile and expenditures provided for in the Additional Agreements of the policy to which this endorsement is attached; or
- (3) under subsections 3 (Comprehensive) 4 (Specified Perils) for a collision loss or damage occurring after theft by any person or persons residing in the same dwelling premises as the Insured, or by any employee of the Insured engaged in the operation, maintenance or repair of the automobile whether the theft occurs during the hours of such service or employment or not unless the policy provides insurance under subsections 1 or 2.

### ADDITIONAL AGREEMENT

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

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



### **S.E.F. No. 96 - Contractual Liability Endorsement**

In consideration of the premium charged, it is understood and agreed that exclusion (c) of the Insuring Agreement of the Non-owned Automobile policy to which this endorsement is attached is amended to read as follows:

- For any liability assumed by any person insured by this policy voluntarily under any contract or agreement other than those stated below:

Blanket written contracts

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



### **S.E.F. No. 99 - Excluding Long Term-Leased Vehicle Endorsement**

In consideration of the premium charged, it is understood and agreed that Item 3 (Hired Automobiles Defined) of General Provisions and Definitions of the Non-owned Automobile policy to which this endorsement is attached is hereby amended to read as follows:

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

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





## O.E.F. 98B - Reduction Of Coverage For Lessees Or Drivers Of Leased Vehicles Endorsement

This endorsement modifies insurance provided under Part V – NON-OWNED AUTOMOBILE INSURANCE (S.P.F. No. 6)

**1. Purpose of this endorsement:**

This endorsement alters the coverage provided by this policy with respect to claims in Ontario for loss or damage arising directly or indirectly from the use or operation of a motor vehicle that is leased.

**2. How the policy coverage is changed:**

The Insurer also agrees to pay on behalf of every partner, officer or employee of the Insured who, in the business of the Insured stated in Item 3 of the application, leases an automobile **for a period of not more than 30 days** in their own name, all sums which such partner, officer or employee is legally obligated to pay as a result of liability imposed by law arising from the negligence of the driver of such leased automobile(s).

The insurance provided under this policy with respect to leased automobiles is in excess of the underlying coverage available to the Insured or to the partner, officer or employee of the Insured.

Underlying coverage available to the Insured or to the partner, officer or employee of the Insured includes any motor vehicle liability insurance that is required to respond to the liability of the driver or lessee of the leased automobile.

The terms leased, lease and lessee are used as equivalent to rented, rent and renter.

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

Signature of Insured	Date
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## Employee Benefits Liability Coverage

Endorsement 1. Forming Part of Section V of Policy No. HUB 1925

**This is a Claims -Made Form - read it carefully. Words and phrases in quotation marks have special meaning.**

### 1. Coverage

The Insurer will pay on behalf of the “Insured” all sums which the “Insured” shall become legally obligated to pay on account of any claim made against the “Insured” during the “Policy Period” by an “Employee”, former “Employee” or the beneficiaries or legal representatives thereof, caused by the negligent act, error or omission of the “Insured”, or any other person for whose acts the “Insured” is legally liable in the administration of “Employee Benefits” (as defined herein).

### 2. Deductibles

The sum of \$1,000.00 shall be deducted from the amount of each claim covered under the terms of this endorsement, and the Insurer shall be liable for loss only in excess of that amount. However, irrespective of the application of the deductible amount, written notice of any claim or alleged negligent act, error or omission shall be given by or on behalf of the “Insured” to the Insurer. If an “Action” is brought, the “Insured” shall immediately forward to the Insurer every summons or other process received by it.

### 3. Additional Insuring Agreement

The Additional Insuring Agreements provisions of this Section of the Policy shall apply as respects the insurance hereby afforded.

### 4. Definitions

- (a) “Insured” - The unqualified word “Insured”, wherever used, in relation to the insurance afforded hereby includes not only the Named Insured, but also any partner, executive officer, director, stockholder, employee, volunteer or other “Insured” as defined in Definition E.1 of Section V of the Policy, provided such “Insured” is authorized to act in the administration of the “Employee Benefits”.
- (b) “Employee Benefits” - The term “Employee Benefits” shall mean Group Life Insurance, Group Accident or Dental or Health Insurance, Group Home and Automobile Insurance, Profit Sharing Plans, Pension Plans, Employee Stock Subscription Plans, Savings Plans, Workers Compensation, Unemployment Insurance, Social Security, Disability Benefits, Supplemental Unemployment Benefits, Social Insurance, Liability Benefits Insurance, Charitable Contribution Plans, and any other similar “Employee Benefits” Programs sponsored or administered by the Named Insured.
- (c) “Administration”- As respects the insurance afforded hereby, the unqualified word “Administration”, wherever used shall mean:
  - (i) giving counsel to “Employees” with respect to the “Employee Benefits”;
  - (ii) interpreting the “Employee Benefits”;
  - (iii) handling of records and money in connection with the “Employee Benefits”;
  - (iv) effecting enrolment, termination or cancellation of “Employees” or making payment on behalf of “Employees”, under the “Employee Benefits” program performed by a person authorized by the Named Insured to do such acts.
- (d) “Employee”- the term “Employee” shall include clergy.



**5. Exclusions**

The insurance afforded by this endorsement does not apply:

- (a) to any dishonest, fraudulent, criminal or malicious act, libel, slander, discrimination, or humiliation;
- (b) to “Bodily Injury” to, or sickness, or death, of any person or to injury to or destruction of any tangible property including the loss of use thereof;
- (c) to any claim for failure of performance of contract by any Insurer;
- (d) to any claim based upon the Named Insured's failure to comply with any law concerning Workers Compensation, Unemployment Insurance, Social Security or Disability Benefits;
- (e) to any claim based upon failure of stock to perform as represented by an “Insured”;
- (f) to any claim based upon advice given by an “Insured” to participate or not to participate in stock subscription plans;
- (g) to any claim, which the “Insured” has knowledge at the effective date of this insurance;
- (h) to any claim, which the “Insured” could reasonably have foreseen at the effective date of this insurance;
- (i) to any obligation of the “Insured” under the Employees' Retirement Income Security Act (E.R.I.S.A.) and any amendments thereto, or any similar statute.

**6. Limits of Liability**

EACH CLAIM	\$2,000,000.
AGGREGATE, PER INDIVIDUAL Certificate of Insurance	\$2,000,000.

The Limit of Liability stated above as applicable to each claim is the limit of the Insurer's liability for all damages incurred on account of any claim covered hereunder. The Limit of Liability stated above as aggregate is, subject to the above provision respecting each claim, the total limit of the Insurer's liability for all claims covered hereunder and occurring during each annual “Policy Period”. The inclusion herein of more than one “Insured” on an individual Certificate of Insurance shall not operate to increase the limits of the Insurer's liability.

Any act or omission on the part of one or another of the “Insureds” shall not prejudice the rights or interests of any other “Insured”. The insurance afforded by this endorsement, subject to the Limits of Liability stated above, shall apply to each “Insured” in the same manner and to the same extent as if a separate policy had been issued to each.

The Insurer shall not settle any claim without the written consent of the “Insured”. If, however, the “Insured” shall refuse to consent to any settlement recommended by the Insurer and shall elect to contest the claim or continue any legal proceedings in connection with such claim, then the Insurer's liability for the claim shall not exceed the amount for which the claim could have been so settled, subject to the Limit of Liability stated above, plus the costs and expenses incurred with its consent up to the date of such refusal.



## 7. Conditions

All conditions of this Section of the Policy apply except for Notice of Accident, Occurrence, Claim or Action which is amended to read as follows:

### Notice of Claim or Action

As soon as practicable, notice must be given to the Insurer when an Executive Officer of the “Insured” or HUB International HKMB Limited receives information as to the “Insured’s” alleged negligent act, error or omission. Such notice shall contain full particulars of any claim arising therefrom. If an “Action” is brought, the “Insured” must immediately forward to the Insurer every summons or other process received by the “Insured”.

## Voluntary Compensation Coverage

### Endorsement 2. Forming Part of Section V of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy – A. Insuring Agreement 1.(a) “Bodily Injury” as follows:

#### **Voluntary Compensation**

The Insurer agrees to **PAY VOLUNTARILY THE BENEFITS** set out in this endorsement, either to or on behalf of an “Employee” of the “Insured” on account of “Bodily Injury” including death resulting therefrom, accidentally suffered by such “Employee” and arising out of and in the course of his employment by the “Insured”, whether or not such “Bodily Injury” gives rise to liability imposed by law upon the “Insured”.

#### **Provided However**

That if the injured “Employee” or any person claiming by, through or under him or her shall refuse to accept the Voluntary Compensation Benefits offered hereunder, then the Insurer shall be permitted at any time in its discretion and without notice, to withdraw such offer to pay the said benefits, under which circumstances the Insurer will no longer be bound by the undertakings expressed in the preceding paragraph. If any claim or demand is made upon or an “Action” instituted against the Insured for damages for such injuries, such claim, demand or “Action” shall be considered a refusal to accept such Voluntary Compensation Benefits and such refusal shall abrogate in its entirety the Insurer’s agreement to pay such Voluntary Compensation Benefits. In such event the obligation of the Insurer as expressed in the other parts of this Section of the Policy having reference thereto, shall be available to the “Insured” and shall be and remain the obligation of the Insurer as fully and completely as if this endorsement had not been written.

That the benefits of this endorsement shall not be payable unless at the time of the accident the “Employee” was performing duties on behalf of the “Insured” within the scope of employment by the “Insured”.

That a full legal release of all claims of such “Employee” or any person claiming by, through or under him or her, against the “Insured” is executed and delivered and that any rights of such “Employee” or person against anyone other than the “Insured” (excluding all services available under any Hospital Insurance Act) be subrogated and assigned in full to the Insurer.

That the Insurer shall in no event be liable hereunder for any claims arising from hernia, however caused.

#### **Definitions**

The term Weekly Indemnity referred to in this endorsement shall mean two-thirds of the “Employee’s” weekly wage at the date of the accident, but not exceeding in any event the sum of TWO HUNDRED AND FIFTY DOLLARS (\$250.00) per week.

The term “Employee” shall include volunteers and those others defined as “Insureds” in Definition E.1. (a) of this Section of the Policy.



## **Schedule of Benefits**

### **Loss of Life**

In the event of death resulting from such “Bodily Injury” within a period of twenty-six (26) weeks after the date of the accident the Insurer will pay:

To dependents of the said “Employee” who were wholly dependent upon him or her, an amount equal to One Hundred (100) times the weekly indemnity in addition to the benefits provided under Item 2. below up to the date of death.

The actual funeral expenses not exceeding however, the sum of Five Hundred Dollars (\$500.00).

### **Temporary Total Disability**

If such “Bodily Injury” shall within Fourteen (14) days from the date of the accident totally and continuously disable the “Employee” and prevent him or her from performing any and every duty pertaining to any occupation or employment the Insurer will pay weekly indemnity for the period of such disability, or for twenty-six (26) weeks whichever is the lesser period. Provided however, that if the period of such disability is less than six (6) weeks, no benefit under this Item 2. shall be payable for the first seven (7) days of such disability.

### **Permanent Total Disability**

If within twenty-six (26) weeks from the date of the accident and as a direct result of such “Bodily Injury”, the “Employee” shall be deemed permanently and totally disabled by medical evidence satisfactory to the Insurer, the Insurer will pay, in addition to the benefits provided under Item 2. above, weekly indemnity for a further period of One Hundred (100) weeks.

### **Dismemberment Benefits**

If such “Bodily Injury” shall within twenty-six (26) weeks from the date of the accident result in any one or more of the incapacities listed hereinafter in the Schedule of Incapacities, the Insurer will pay weekly indemnity for the number of weeks shown opposite the incapacity in the said schedule in addition to the benefits payable under Item 2. above, but in no event shall it be payable in addition to the benefits provided by Items 1. and 3. The total amount payable under this Item 4. for one or more incapacities shall not exceed one hundred (100) times the weekly indemnity.

### **Medical, surgical, hospital, etc. Expenses**

If such “Bodily Injury” shall necessitate medical or surgical treatment or confinement to hospital, the Insurer will pay IN ADDITION TO ALL OTHER BENEFITS provided by this Voluntary Compensation Coverage:

The cost of the necessary medical, surgical, pharmaceutical and hospital services (excluding those portions of such expenses recoverable under any medical, surgical, or hospitalization plan, and all services available under any hospital insurance act or statute) in accordance with the scale of charges provided by the Workers' Compensation Act of the Province in which the accident occurred, during a period not exceeding twenty-six (26) weeks from the date of the accident; and

The cost of supplying or the reasonable renewing of prosthetic or orthopaedic appliances as may be necessary for a period not exceeding fifty-two (52) weeks from the date of the accident.



**Special Conditions**

The Insurer shall have the right to examine the person of the injured “Employee” when and as often as may be required while the claim is pending and also in the case of death of the injured “Employee” to make an autopsy subject to any law of the Province relating to autopsies.

Nothing contained in this Voluntary Compensation endorsement shall be held to vary, waive or extend any of the conditions, agreements and limitations of this Section of the Policy, other than as above stated.

**Schedule of Incapacities**

Loss or Total Irrecoverable Loss of Use of:

Division A			No. of Weeks
1.	Arm		
	(a)	At or below elbow <b>or</b>	100
	(b)	Below elbow <b>or</b>	80
2.	Hand at wrist <b>or</b>		80
3.	(a)*	Thumb	
	(i)	At or above the second phalangeal joint <b>or</b>	25
	(ii)	Below the second phalangeal joint, involving a portion of the second phalange	18
	(b)*	Index Finger	
	(i)	At or above the second phalangeal joint <b>or</b>	25
	(ii)	At or above the third phalangeal joint <b>or</b>	18
	(iii)	Below the third phalangeal joint, involving a portion of the third phalange	12
	(c)*	Any other finger	
	(i)	At or above the second phalangeal joint	15
	(ii)	At or above the third phalangeal joint	8
	(iii)	Below the third phalangeal joint, involving a portion of the third phalange	5



**NOTE:** For a combination of two or more of the incapacities marked with an \* the total amount payable under this division shall not exceed Eighty (80) times the weekly indemnity.

Division B			No. of Weeks
1.	Leg		
	(a)	At or above knee <b>or</b>	100
	(b)	Below knee <b>or</b>	75
2.	Foot at ankle <b>or</b>		75
3.	(a)**	Great Toe	
	(i)	At or above the second phalangeal joint <b>or</b>	15
	(ii)	Below the second phalangeal joint, involving a portion of the second phalange	8
	(b)**	Any other toe	
	(i)	At or above the second phalangeal joint <b>or</b>	10
	(ii)	At or above the third phalangeal joint <b>or</b>	5
	(iii)	Below the third phalangeal joint, involving a portion of the third phalange	3

**NOTE:** For a combination of two or more of the incapacities marked with a \*\* the total amount payable under this division shall not exceed Thirty Five (35) times the weekly indemnity.

Division C			No. of Weeks
1.	(a)	One eye <b>or</b>	50
	(b)	Both eyes	100

Division D			No. of Weeks
1.	(a)	Hearing of one ear <b>or</b>	25
	(b)	Hearing of both ears	100





### Medical Payments Coverage

Endorsement 3. Forming Part of Section V of Policy No. HUB 1925

#### Schedule

Coverage	Limit of Liability (Subject also to Section V, Clause C. Limits of Liability, Item 6. General Aggregate)
Medical Payments Insurance	\$ 10,000 each person
	\$ 50,000 each occurrence

#### Insuring Agreements

1. The Insurer will pay to or for each person who sustains “Bodily Injury” caused by accident all reasonable “Medical Expense” incurred within one year from the date of the accident on account of such “Bodily Injury”, provided such “Bodily Injury” arises out of: (a) a condition on the “Insured Premises”; or (b) operations with respect to which the Named Insured is afforded coverage for “Bodily Injury” Liability under this Section of the Policy.
2. Policy Period - Territory  
This insurance applies only to “Medical Expenses” arising out of an accident occurring during the “Policy Period” within the “Policy Territory”.

#### Exclusions

This insurance does not apply to:

1. any portion of “Medical Expense” the payment of which is prohibited by law;
2. “Bodily Injury” arising directly or indirectly, in whole or in part, out of the ownership, use or entrustment to others by or on behalf of the “Insured” of any “Automobile” in accordance with Exclusion D. 1. (a) under Insuring Agreement A. 1. (a);
3. “Bodily Injury” arising out of the ownership, maintenance, use or entrustment to others by or on behalf of any “Insured” of:
  - (i) any aircraft, air cushion vehicle or watercraft; or
  - (ii) any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto in accordance with Exclusion D. 1. (b) under Insuring Agreement A. 1. (a).
4. “Bodily Injury” to:
  - (a) the Named Insured, any partner thereof, any tenant or other person regularly residing on the “Insured Premises” or any employee of any of the foregoing if the “Bodily Injury” arises out of and in the course of his employment therewith; or



- (b) any other tenant if the “Bodily Injury” occurs on that part of the “Insured Premises” rented from the Named Insured or to any employee of such a tenant if the “Bodily Injury” occurs on the tenant’s part of the “Insured Premises” and arises out of and in the course of his employment for the tenant; or
  - (c) any person while engaged in maintenance and repair of the “Insured Premises” or alteration, demolition or construction operations at such premises; or
  - (d) any person if any benefits for such “Bodily Injury” are payable under any workers’ compensation law.
5. “Bodily Injury” included within the “Products/Completed Operations Hazard”.

### **Limits of Liability**

With respect to this endorsement the Limit of Liability stated in the schedule as applicable to each person is the limit of the Insurer's liability for all “Medical Expense” for “Bodily Injury” sustained by one person in any one accident and the Limit of Liability stated in the schedule as applicable to each accident is, subject to the above provision respecting each person, the total limit of the Insurer's liability for all “Medical Expenses” arising out of “Bodily Injury” sustained by two or more persons in any one accident.

### **Additional Definitions**

When used in reference to this insurance:

“Insured Premises” means all premises owned by or rented to the Named Insured with respect to which the Named Insured is afforded coverage for “Bodily Injury” Liability under this Section of the Policy and includes the ways immediately adjoining such premises.

“Medical Expense” includes expenses for necessary medical, surgical, x-ray and dental services, including prosthetic devices and necessary ambulance, hospital, professional nursing and funeral services.

### **Conditions**

All conditions of this Section of the Policy apply as well as the following additional condition:

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

### **Difference in Conditions**

Endorsement 4. Forming Part of Section V of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

Notwithstanding paragraph 6, OTHER INSURANCE, of General Conditions of this Section of the Policy, it is agreed that to the extent that this Section of the Policy provides Commercial General Liability insurance that is broader in scope of coverage or larger limits than other insurance policies covering the Named Insured, it is understood and agreed that insurance is provided hereunder on a difference in conditions basis subject to the following conditions:

1. This Section of the Policy shall provide the “Insured” with insurance coverage to the extent provided by the terms, conditions, limits of liability and deductibles of This Policy wording on a primary basis with respect to any loss which is covered within the terms of the broader scope of this Section of the Policy, but which is not covered within the terms of such other insurance;
2. No coverage is provided hereunder for any claim denied by the insurer of such other policy solely on the basis that the claim is below the amount of any deductible contained in that policy;
3. In the event that coverage applies under both policies, this Section of the Policy shall provide coverage in excess of the limits provided by such other insurance; and
4. No coverage is provided hereunder for any difference in deductible amounts between this Section of the Policy and any other valid and collectible insurance.

All other terms and conditions remain unchanged.

### Non-Accumulation of Limits Endorsement

Endorsement 5. Forming Part of Section V of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

Under "C. Limits of Liability", the following is added:

7. If an "Occurrence", claim or "Action" covered under an individual Certificate of Insurance forming part of This Policy is also covered under another policy issued by the Insurers or any other member insurer of Intact, to any of the Named Insureds or Companies related to the Named Insured, the combined maximum amount available for such "Occurrence", claim or "Action" under all applicable policies will not exceed the amount stated in the individual Certificate of Insurance with the highest each Occurrence Limit of Liability.

Payments made for such "Occurrence", claim or "Action" will be treated as paid under each of the applicable Commercial General Liability Certificates of Insurance for purposes of determining the Limits of Liability available under the "Products/Completed Operations Hazard" Annual Aggregate, and "Professional Services Errors & Omissions" Annual Aggregate or other Aggregate as respects any subsequent "Occurrence", claim or "Action".

Each individual Certificate of Insurance issued shall not contribute to or respond as excess above any other Certificate of Insurance issued under the master policy HUB 1925.

All other terms and conditions remain unchanged.

## Section VI - Umbrella Liability Insurance

(including Endorsements No. 1 – No. 8 attached to and forming part of Master Policy No. HUB 1925)

Applicable where Umbrella Liability is specifically shown as covered on individual Certificates of Insurance

### PART I - Coverages

Words and expressions that appear in quotations marks have special meaning. Refer to Part V, Definitions.

#### Coverage A - Bodily Injury And Property Damage Liability

##### 1. Insuring Agreement

- (a) The Insurer will pay on behalf of the Insured the "ultimate net loss" in excess of the "retained limit" because of "bodily injury" or "property damage" to which this insurance applies. The Insurer will have the right and duty to defend the Insured against any "action" seeking "compensatory damages" for such "bodily injury" or "property damage" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When the Insurer has no duty to defend, it will have the right to defend, or to participate in the defence of, the Insured against any other "action" seeking "compensatory damages" to which this insurance may apply. However, the Insurer 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. The Insurer may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:
  - (1) The amount the Insurer will pay for the "ultimate net loss" is limited as described in Part III – Limits of Insurance; and
  - (2) The Insurers right and duty to defend ends when it has used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.
- (b) This insurance applies to "bodily injury" and "property damage" only if:
  - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and
  - (3) Prior to the policy period, no Insured listed under Paragraph 1. of Part II – Who Is An Insured and no "employee" authorized by the Insured to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed Insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.



- (c) "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any Insured listed under Paragraph 1. of Part II – Who Is An Insured or any "employee" authorized by the Insured to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- (d) "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Part II — Who Is An Insured or any "employee" authorized by the Insured to give or receive notice of an "occurrence" or claim:
  - (1) Reports all, or any part, of the "bodily injury" or "property damage" to the Insurer or any other insurer;
  - (2) Receives a written or verbal demand or claim for "compensatory damages" because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- (e) "Compensatory damages" because of "bodily injury" include "compensatory damages" claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury"

## 2. Exclusions

This insurance does not apply to:

### (a) Expected or Intended Injury

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

### (b) Contractual Liability

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

- (1) That the Insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable legal fees and necessary litigation expenses incurred by or for a party other than an Insured are deemed to be "compensatory damages" because of "bodily injury" or "property damage", provided:
  - (i) Liability to such party for, or for the cost of, that party's defence has also been assumed in the same "insured contract"; and
  - (ii) 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.



**(c) Workers' Compensation and Similar Laws**

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

**(d) Employer's Liability**

"Bodily injury" to:

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

This exclusion applies:

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

This exclusion does not apply:

- (a) To liability assumed by the Insured under an "insured contract"; or
- (b) To a claim made or an "action" brought by a Canadian resident "employee" on whose behalf contributions are made by or required to be made by the Insured 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; or
- (c) To the extent that valid "underlying insurance" for "bodily injury" to employees exists or would have existed but for the exhaustion of underlying limits for "bodily injury". Coverage so provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

**(e) Aircraft or Watercraft**

- (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 aircraft, air cushion vehicle or watercraft.

Use includes operation and "loading or unloading."

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



This exclusion does not apply:

- (i) To the extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". Coverage so provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance; or
- (ii) To liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (iii) To a watercraft
  - (a) While ashore on premises the Insured owns or rents;
  - (b) That is chartered by, loaned to or hired by the Insured with a paid crew,
  - (c) That is not owned by any insured, and
  - (d) That is not being used to carry persons or property for a charge; or
- (iv) To aircraft that is:
  - (a) Chartered by, loaned to, or hired by the Insured with a paid crew; and
  - (b) Not owned by any Insured; or
- (v) To "Bodily injury" to an "employee" of the Insured on whose behalf contributions are made by or required to be made by the Insured under the provisions of any Canadian provincial or territorial workers' compensation law, if the "bodily injury" results from an "occurrence" involving watercraft.

- (2) "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 premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.

Use includes operation and "loading or unloading."

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

**(f) Automobile**

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the ownership, use or entrustment to others by or on behalf of the Insured of any "automobile" except to the extent that coverage is provided by the Standard Excess Automobile Policy (S.P.F. / Q.P.F. No 7), if attached hereto. Use includes operation and "loading or unloading". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".





This exclusion also applies to:

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

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

This exclusion does not apply to:

- (i) "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.
- (ii) "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.
- (iii) The ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment, but this exception does not apply when such equipment is used for the purpose of "loading or unloading".

**(g) Damage to Property**

"Property Damage" to:

- (1) Property the Insured owns, rents or occupies, including any costs or expenses incurred by the Insured, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises the Insured sells, gives away or abandons, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to the Insured;
- (4) Personal property in the Insured's care, custody or control;
- (5) That particular part of real property on which the Insured or any contractors or subcontractors working directly or indirectly on the Insured's behalf are performing operations, if the "property damage" arises out of those operations; or



- (6) That particular part of any property that must be restored, repaired or replaced because "the Insured's work" was incorrectly performed on it.

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

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

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

**(h) Damage to the Insured's Product**

"Property damage" to "the Insured's product" arising out of or any part of it.

**(i) Damage to the Insured's work**

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

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

**(j) Damage to Impaired Property or Property Not Physically Injured**

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

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

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

**(k) Recall of Products, Work or Impaired Property**

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

- (1) "The Insured's product";
- (2) "The Insured's work"; or
- (3) "Impaired property";

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

**(l) Electronic Data**

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



**(m) Personal and advertising Injury**

“Bodily Injury” arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate “electronic data”.

**(n) Employment – Related Practices**

"Bodily injury" to:

- (1) A person arising out of any:
  - (i) Refusal to employ that person;
  - (ii) Termination of that person's employment; or
  - (iii) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (i), (ii), or (iii) above is directed.

This exclusion applies whether the Insured may be liable as an employer or in any other capacity, and to any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury.

**(o) Professional Services**

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

**(p) Abuse**

- (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".
- (2) Claims or "actions" based on the Insured's practices of "employee", hiring, acceptance of "volunteer workers" or supervision or retention of any person alleged to have committed "abuse".
- (3) Claims or "actions" alleging knowledge by an insured of, or failure to report, the alleged "abuse" to the appropriate authority(ies).

**(q) Asbestos – see Common Exclusions**

**(r) Fungi or Spores – see Common Exclusions**

**(s) Nuclear– see Common Exclusions**

**(t) Pollution – see Common Exclusions**

**(u) Terrorism – see Common Exclusions**

**(v) War Risks – see Common Exclusions**

**Coverage B — Personal And Advertising Injury Liability****1. Insuring Agreement**

(a) The Insurer will pay on behalf of the Insured the "ultimate net loss" in excess of the "retained limit" because of "personal and advertising injury" to which this insurance applies. The Insurer will have the right and duty to defend the Insured against any "action" seeking "compensatory damages" for such "personal and advertising injury" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When the Insurer has no duty to defend, it will have the right to defend, or to participate in the defence of, the Insured against any other "action" seeking "compensatory damages" to which this insurance may apply. However, the Insurer will have no duty to defend the Insured against any "action" seeking "compensatory damages" for "personal and advertising injury" to which this insurance does not apply. The Insurer may, at its discretion, investigate any offense and settle any claim or "action" that may result. But:

The amount the Insurer will pay for the "ultimate net loss" is limited as described in Part III — Limits Of Insurance; and

The Insurers right and duty to defend ends when it has used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

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

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

**2. Exclusions**

This insurance does not apply to:

**Knowing Violation of Rights of Another**

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

**Material Published with Knowledge of Falsity**

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

**Material Published Prior to Policy Period**

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

**Criminal Acts**

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

**Contractual Liability**

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

**Breach of Contract**

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

**Quality or Performance of Goods — Failure to Conform to Statements**

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

**Wrong Description of Prices**

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

**(I) Infringement of Copyright, Patent, Trademark or Trade Secret**

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

However, this exclusion does not apply to infringement, in the Insured's "advertisement", of copyright, trade dress or slogan.



**(j) Insureds in Media and Internet Type Businesses**

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

Advertising, broadcasting, publishing or telecasting;  
Designing or determining content of websites for others; or  
An Internet search, access, content or service provider.

However, this exclusion does not apply to sub-paragraphs (a), (b) and (e) of "personal and advertising injury" under the Definitions Part.

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

**(k) Electronic Chatrooms or Bulletin Boards**

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

**(l) Unauthorized Use of Another's Name or Product**

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

**(m) Employment-Related Practices**

"Personal and advertising injury" to:

(a) A person arising out of any:

Refusal to employ that person;

Termination of that person's employment; or

Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

(b) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (i), (ii), or (iii) above is directed.

This exclusion applies whether the Insured may be liable as an employer or in any other capacity, and to any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury.

**(n) Professional Services**

"Personal and advertising injury" due to the rendering of or failure to render by the Insured or on the Insured's behalf of any "professional services" for others, or any error or omission, malpractice or mistake in providing those services

**Asbestos** — see Common Exclusions

**Fungi or Spores** — see Common Exclusions

**Nuclear**— see Common Exclusions

**Pollution** — see Common Exclusions

**Terrorism** — see Common Exclusions

**War Risks** — see Common Exclusions

### Common Exclusions — Coverages A and B

This insurance does not apply to:

#### 1. Asbestos

"Bodily injury", "property damage" or "personal and advertising injury" related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of asbestos or any materials containing asbestos in 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 and advertising injury".

#### 2. Fungi or Spores

"Bodily injury", "property damage", "personal injury", "advertising injury or any other cost, loss or expense incurred by others, arising directly or indirectly, from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any Fungi or Spores however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of Fungi or Spores; or any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a) above; or

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

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

#### 3. Nuclear Energy Liability

Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof; "Bodily injury", "property damage" or "personal and advertising injury" with respect to which an Insured under this Section of the Policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other Insurer or group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability;

(c) "Bodily injury", "property damage" or "personal and advertising injury" resulting directly or indirectly from the "nuclear energy hazard" arising from:

The ownership, maintenance, operation or use of a "nuclear facility" by or on behalf of an Insured;

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";

The possession, consumption, use, handling, disposal or transportation of "fissionable substances", or of other "radioactive material" (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

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

**4. Pollution**

(a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":

(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 subparagraph does not apply to:

"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;

"Bodily injury" or "property damage" for which the Insured may be held liable, if the Insured is a contractor and the owner or lessee of such premises, site or location has been added to the Insured's 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

"Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

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

(3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

Any Insured; or

Any person or organization for whom the Insured may be legally responsible; or

(4) At or from any premises, site or location on which any Insured or any contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment that is not an "automobile" or its parts, if such fuels, lubricants or other operating fluids escape from a mobile equipment part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such Insured, contractor or subcontractor;

"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 the Insured or on the Insured's behalf by a contractor or subcontractor; or

"Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(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 or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(b) Any loss, cost or expense arising out of any:

Request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

Claim or "action" by or on behalf of a governmental authority for "compensatory damages" because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Section (b) 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.

**Terrorism**

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

**War**

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

**Abuse**

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". Claims or "actions" based on the Insured's practices of "employee", hiring, acceptance of "volunteer workers" or supervision or retention of any person alleged to have committed "abuse". Claims or "actions" alleging knowledge by an insured of, or failure to report, the alleged "abuse" to the appropriate authority(ies).

**Supplementary Payments — Coverages A and B**

1. The Insurer will pay, with respect to any claim it investigates or settles, or any "action" against an Insured it defends:

All expenses the Insurer incurs.

The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. The Insurer does not have to furnish these bonds.

All reasonable expenses incurred by the Insured at the Insurer's request to assist the Insurer in the investigation or defence of the claim or "action", including actual loss of earnings up to \$250 a day because of time off from work.

All costs assessed or awarded against the Insured in the "action".

(e) Any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance and before The Insurer has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

When the Insurer has the right but not the duty to defend the Insured and elect to participate in the defence, it will pay its own expenses but will not contribute to the expenses of the Insured or the "underlying insurer".

If the Insurer defends an Insured against an "action" and an indemnitee of the Insured is also named as a party to the "action", the Insurer will defend that indemnitee if all of the following conditions are met:

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";

This insurance applies to such liability assumed by the Insured;

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";

The allegations in the "action" and the information the Insurer knows about the "occurrence" are such that no conflict appears to exist between the interests of the Insured and the interests of the indemnitee;

The indemnitee and the Insured ask the Insurer to conduct and control the defence of that indemnitee against such "action" and agree that the Insurer can assign the same counsel to defend the Insured and the indemnitee; and

The indemnitee:





(1) Agrees in writing to:

Cooperate with the Insurer in the investigation, settlement or defence of the "action";

Immediately send the Insurer copies of any demands, notices, summonses or legal papers received in connection with the "action";

Notify any other insurer whose coverage is available to the indemnitee; and

Cooperate with the Insurer with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides the Insurer with written authorization to:

Obtain records and other information related to the "action"; and

Conduct and control the defence of the indemnitee in such "action".

So long as the above conditions are met, legal fees incurred by the Insurer in the defence of that indemnitee, necessary litigation expenses incurred by the Insurer and necessary litigation expenses incurred by the indemnitee at the Insurers request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph 2 (b).(2) of Coverage A of Part 1, such payments will not be deemed to be "compensatory damages" for "bodily injury" and "property damage" and will not reduce the limits of insurance.

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

The Insurer has used up the applicable limit of insurance in the payment of judgments or settlements; or

The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## PART II - Who Is An Insured

1. If the Insured is designated in an individual Certificate of Insurance as:
  - (a) An individual, the Insured and the Insured's spouse are Insureds, but only with respect to the conduct of a business of which the Insured is the sole owner.
  - (b) A partnership, limited liability partnership or joint venture, it is an Insured. The Insured's members, its partners, and their spouses are also Insureds, but only with respect to the conduct of the Insured's business.
  - (c) A limited liability company, it is an Insured. The Insured's members are also Insureds, but only with respect to the conduct of the Insured's business. The Insured's managers are Insureds, but only with respect to their duties as the Insured's managers.
  - (d) An organization other than a partnership, limited liability partnership, joint venture or limited liability company, it is an Insured. Any subsidiary company of the Insured's that now exists or any other company the control and management of which the Insured now holds is an Insured.

The Insured's "executive officers" and directors are Insureds, but only with respect to their duties as the Insured's officers or directors. The Insured's shareholders are also Insureds, but only with respect to their liability as shareholders.
  - (e) A trust, it is an Insured. The Insured's trustees are also Insureds, but only with respect to their duties as trustees.
2. Each of the following is also an Insured:
  - (a) The Insured's "volunteer workers" only while performing duties related to the conduct of the Insured's business, its "employees", other than either its "executive officers" (if the Insured is an organization other than a partnership, limited liability partnership, joint venture or limited liability company) or the Insured's managers (if you are a limited liability company), but only for acts within the scope of their employment by the Insured or while performing duties related to the conduct of the Insured's business. However, none of these "employees" or "volunteer workers" are Insureds for:
    - (1) "Bodily injury" or "personal and advertising injury":
      - (i) To the Insured, to the Insured's partners or members (if the Insured is a partnership, limited liability partnership or joint venture), to the Insured's members (if the Insured is a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of the Insured's business or to the Insured's other "volunteer workers" while performing duties related to the conduct of the Insured's business;
      - (ii) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(i) above; or
      - (iii) For which there is any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury described in Paragraphs (1)(i) or (ii) above.



- (2) "Property damage" to property:
    - (i) Owned, occupied or used by,
    - (ii) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by the Insured, any of the Insured's "employees", "volunteer workers", any partner or member (if the Insured is a partnership, limited liability partnership or joint venture), or any member (if the Insured is a limited liability company).
  - (b) Any person (other than the Insured's "employee" or "volunteer worker), or any organization while acting as the Insured's real estate manager.
  - (c) Any person or organization having proper temporary custody of the Insured's property if the Insured dies, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until the Insured's legal representative has been appointed.
  - (d) The Insured's legal representative if the Insured dies, but only with respect to duties as such. That representative will have all the Insured's rights and duties under this Section of the Policy.
3. Any organization the Insured newly acquires or forms other than a partnership, limited liability partnership, joint venture or limited liability company, and over which the Insured maintains ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - (a) Coverage under this provision is afforded only until the 90th day after the Insured acquires or forms the organization or the end of the policy period, whichever is earlier;
  - (b) Coverage A does not apply to "bodily injury" or "property damage" that occurred before the Insured acquired or formed the organization; and
  - (c) Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before the Insured acquired or formed the organization.
4. Any additional Insured under any policy of "underlying insurance" will automatically be an Insured under this insurance, subject to the provisions in Condition 1 of this Section of the Policy.

If coverage provided to the additional Insured is required by contract or agreement, the most the Insurer will pay on behalf of the additional Insured is the amount of insurance required by the contract, less any amounts payable by any "underlying insurance".

Additional Insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".

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 an individual Certificate of Insurance.



### PART III - Limit Of Insurance

1. The Limits of Insurance shown in Declarations of the individual Certificate of Insurance and the rules below fix the most the Insurer will pay regardless:
  - (a) Of the number of Insureds;
  - (b) Of the number of Claims made or "actions" brought; or
  - (c) Of the number of Persons or organizations making claims or bringing "actions".
  
2. The Aggregate Limit shown in the individual Certificate of Insurance is the most the Insurer will pay for the sum of all "ultimate net loss"
  - (a) arising out of the "Products - Completed Operations Hazard", or
  - (b) arising out of any coverage contained in an "underlying insurance" if such coverage is subject in such "underlying insurance" to an aggregate limit of liability for all insured damages, the aggregate limit under this Section of the Policy applying separately to each such "underlying insurance" coverage.
  
3. Subject to 2. above, the Each Occurrence Limit shown in the individual Certificate of Insurance is the most the Insurer will pay for the sum of all "ultimate net loss" under Coverage A because of all "bodily injury" and "property damage" arising out of any one "occurrence".
  
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most the Insurer will pay under Coverage B for the sum of all "ultimate net loss" because of all "personal and advertising injury" sustained by any one person or organization.

The Aggregate Limit, shown in the individual Certificate of Insurance, as described in Paragraph 2. above, applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the individual Certificate of Insurance, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

## **PART IV - Conditions**

### **1. Additional Insured**

In the event of additional Insureds being added to the coverage under "underlying insurance" during the policy period prompt notice shall be given to the Insurer and the Insurer shall be entitled to charge an appropriate additional premium shown in the individual Certificate of Insurance.

### **2. Appeals**

If the "underlying insurer" or Insured elects not to appeal a judgment in excess of the "retained limit", the Insurer may do so at the Insurer's own expense. The Insurer will be liable for taxable costs, post judgment interest and disbursements.

### **3. Bankruptcy**

#### **(a) Bankruptcy of Insured**

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

#### **(b) Bankruptcy of Underlying Insurer** Bankruptcy of the "underlying insurer" will not relieve the Insurer of its obligations under this Section of the Policy.

However, this insurance will not replace the "underlying insurance" in the event of bankruptcy or insolvency of the "underlying insurer". This insurance will apply as if the "underlying insurance" were in full effect.

### **4. Canadian Currency**

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

### **5. Changes**

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

### **6. Duties in the Event of Occurrence, Offense, Claim or "Action"**

#### **(a) The Insured must see to it that the Insurer is notified as soon as practicable of an "occurrence" or an offense, regardless of the amount, which may result in a claim. To the extent possible, notice should include:**

- (1) How, when and where the "occurrence" or offense took place;**
- (2) The names and addresses of any injured persons and witnesses; and**
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.**



- (b) If a claim is made or "action" is brought against any Insured, the Insured must:
  - (1) Immediately record the specifics of the claim or "action" and the date received; and
  - (2) Notify the Insurer as soon as practicable.

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

**7. Examination of the Insured's Books and Records**

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

**8. Expanded Coverage Territory**

- (a) If an "action" is brought in a part of the "coverage territory" that is outside Canada, the United States of America (including its territories and possessions) and Puerto Rico, and the Insurer is prevented by law, or otherwise, from defending the Insured, the Insured will initiate a defence of the "action". The Insurer will reimburse the Insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defence of an "action" seeking "compensatory damages" to which this insurance applies, that it would have paid had it been able to exercise the Insurers right and duty to defend.  

If the Insured becomes legally obligated to pay sums because of "compensatory damages" to which this insurance applies in a part of the "coverage territory" that is outside Canada, the United States of America (including its territories and possessions) and Puerto Rico, and the Insurer is prevented by law, or otherwise, from paying such sums on the Insured's behalf, it will reimburse the Insured for such sums.
- (b) All payments or reimbursements the Insurer makes for "compensatory damages" because of judgments or settlements will be made in Canadian currency at the prevailing exchange rate at the time the Insured became legally obligated to pay such sums. All payments or reimbursements the Insurer makes for expenses under Supplementary Payments will be made in Canadian currency at the prevailing exchange rate at the time the expenses were incurred.



- (c) Any disputes between the Insured and the Insurer as to whether there is coverage under this Section of the Policy must be filed in the courts of Canada, the United States of America (including its territories and possessions), and Puerto Rico.
- (d) The Insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

#### 9. Inspections and Surveys

- (1) The Insurer has the right to:
  - (a) Make inspections and surreys at any time;
  - (b) Give the Insured reports on the conditions it finds; and
  - (c) Recommend changes.
- (2) The Insurer is not obligated to make any inspections, surveys, reports or recommendations and any such actions it does undertake relate only to insurability and the premiums to be charged. The Insurer does not make safety inspections. It does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And the Insurer does not warrant that conditions:
  - (a) Are safe or healthful; or
  - (b) Comply with laws, regulations, codes or standards.
- (3) Paragraphs (1) and (2) of this condition apply not only to the Insurer, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
- (4) Paragraph (2) of this condition does not apply to any inspections, surveys, reports or recommendations the Insurer may make relative to certification, under provincial or municipal statutes, ordinances, bylaws or regulations, of boilers, pressure vessels or elevators.

#### 10. Legal Action Against the Insurer

No person or organization has a right under this Section of the Policy:

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

A person or organization may sue the Insurer to recover on an agreed settlement or on a final judgment against an insured; but the Insurer will not be liable for "compensatory damages" that are not payable under the terms of this Section of the Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability

signed by the Insurer, the insured and the claimant or the claimant's legal representative.

**11. Loss Payable**

Liability under this Section of the Policy shall not apply unless and until the Insured or insured's "underlying insurer" has become obligated to pay the "retained limit". Such obligation by the Insured to pay part of the "ultimate net loss" shall have been previously determined by a final settlement or judgment after an actual trial or written agreement between the Insured, claimant, and the Insurer.

**12. Maintenance of Underlying Insurance**

The "underlying insurance" listed in the schedule of "underlying insurance" in each individual Certificate of Insurance shall remain in full effect throughout the policy period except for reduction of the aggregate limit due to payment of claims, settlement, or judgments.

Failure to maintain "underlying insurance" will not invalidate this insurance.

However, this insurance will apply as if the "underlying insurance" were in full effect.

The Insured must notify the Insurer as soon as practicable when any "underlying insurance" is no longer in effect.

**13. Other Insurance**

(a) This insurance is excess over, and shall not contribute with any of other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Section of the Policy.

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

(b) When this insurance is excess over other insurance, the Insurer will pay only the Insurer's share of the "ultimate net loss" that exceeds the sum of:

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

**14. Premiums**

The first Named Insured shown in the individual Certificate of Insurance:

- (a) Is responsible for the payment of all premiums; and
- (b) Will be the payee for any return premiums the Insurer pays.

**15. Representations or Fraud**

By accepting this insurance, the Insured agrees:

- (a) The statements in the Declarations of the individual Certificate of Insurance are accurate and complete;
- (b) Those statements are based upon representations the Insured made to the Insurer;
- (c) The Insurer has issued the policy in reliance upon the Insured's representations; and





- (d) The policy is void in any case of fraud by the Insured as it relates to this insurance or any claim under this insurance.

**16. Separation of Insureds, Cross Liability**

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

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

**17. Termination**

- (a) The first Named Insured shown in the individual Certificate of Insurance may terminate this insurance by mailing or delivering to the Insurer advance written notice of termination.
- (b) Subject to paragraph c. below, the Insurer may terminate this insurance by giving to the first Named Insured
  - (1) 5 days written notice of termination personally delivered, or
  - (2) 15 days notice of termination by registered mail if termination is for non-payment of premium, or
  - (3) 90 days notice of termination by registered mail if termination is for any other reason.

Registered mail termination takes effect 15 or 90 days after receipt of the letter by the post office to which it is addressed, depending upon the reason for termination.

- (c) To the extent that the Civil Code of the Province of Quebec is applicable to this Section of the Policy, General Conditions and Provisions as set out in the Civil Code of the Province of Quebec apply. Accordingly, the Insurer may terminate this policy by giving to the first Named Insured
  - (1) 15 days notice of termination by registered mail if termination is for non-payment of premium, or
  - (2) 90 days notice of termination by registered mail if termination is for any other reason.

Registered mail termination takes effect 15 or 90 days after receipt of the notice at the last known address of the first Named Insured, depending upon the reason for termination.

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



**18. Transfer of Defence**

When the underlying limits of insurance have been used up in the payment of judgments or settlements, the duty to defend will be transferred to the Insurer. The Insurer will cooperate in the transfer of control to the Insurer of any outstanding claims or "actions" seeking "compensatory damages" to which this insurance applies which would have been covered by the "underlying insurance" had the applicable limit not been used up.

**19. Transfer of Rights of Recovery Against Others to The Insurer.**

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

**20. Transfer of the Insured's Rights and Duties Under This Policy**

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

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

## PART V - Definitions

1. "Abuse" means any act or threat involving molestation, harassment, corporal punishment or any other form of physical, sexual or mental abuse.
2. "Action" means a civil proceeding in which "compensatory damages" because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Action" includes
  - (a) An arbitration proceeding in which such "compensatory damages" are claimed and to which the Insured must submit or does submit with the Insurers consent; or
  - (b) Any other alternative dispute resolution proceeding in which such "compensatory damages" are claimed and to which the Insured submits with the Insurer's consent.
3. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about the Insured's goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - (a) Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - (b) Regarding websites, only that part of a website that is about the Insured's goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
4. "Automobile" means a land motor vehicle, trailer or semi-trailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any attached machinery or equipment.
5. "Bodily injury" means bodily injury, disability, sickness, or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
6. "Compensatory damages" means damages due or awarded in payment for actual injury or economic loss. "Compensatory damages" does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
7. "Coverage territory" means anywhere in the world.
8. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
9. "Employee" includes a "leased worker" and a "temporary worker".



10. "Executive officer" means a person holding any of the officer positions created by the Insured's charter, constitution, by-laws or any other similar governing document.
11. "Fissionable substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
12. "Fungi" includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "fungi" or "spores" or resultant mycotoxins, allergens or pathogens.
13. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
14. "Impaired property" means tangible property, other than "the Insured's product" or "the Insured's work", that cannot be used or is less useful because:
  - (a) It incorporates "the Insured's product" or "the Insured's work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - (b) The Insured has failed to fulfil the terms of a contract or agreement, if such property can be restored to use by:
    - (a) The repair, replacement, adjustment or removal of "the Insured's product" or "the Insured's work"; or
    - (b) The Insured's fulfilling the terms of the contract or agreement.
15. "Incidental medical malpractice injury" means "bodily injury" arising out of the rendering of or failure to render, during the Policy Period, the following services:
  - (a) Medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or
  - (b) 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 (a) and (b) above.
16. "Insured contract" means:
  - (a) A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to the Insured or temporarily occupied by the Insured with permission of the owner is not an "insured contract";
  - (b) A sidetrack agreement;
  - (c) An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
  - (d) Any other easement agreement;
  - (e) An obligation, as required by ordinance or bylaw, to indemnify a municipality, except in connection with work for a municipality;



- (f) An elevator maintenance agreement;
- (g) That part of any other contract or agreement pertaining to the Insured's business (including an indemnification of a municipality in connection with work performed for a municipality) under which the Insured assumes the tort liability of another party to pay for "compensatory damages" because of "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by the Insured or by those acting on the Insured's behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

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

19. "Nuclear energy hazard" means the radioactive, toxic, explosive or other hazardous properties of "radioactive material".
20. "Nuclear facility" means:
- (a) Any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
  - (b) Any equipment or device designed or used for
    - (i) Separating the isotopes of plutonium, thorium and uranium or any one or more of them,
    - (ii) Processing or packaging waste
  - (c) Any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
  - (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste "radioactive material";  
and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
21. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
22. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- (a) False arrest, detention or imprisonment;
  - (b) Malicious prosecution;
  - (c) Discrimination (unless prohibited by law);
  - (d) Humiliation;
  - (e) 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;
  - (f) 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;
  - (g) Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - (h) The use of another's advertising idea in the Insured's "advertisement"; or
  - (i) Infringing upon another's copyright, trade dress or slogan in the Insured's "advertisement".

23. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
24. "Products-completed operations hazard":
- (a) Includes all "bodily injury" and "property damage" occurring away from premises the Insured owns or rents and arising out of "the Insured's product" or "the Insured's work" except:
    - (1) Products that are still in the Insured's physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "the Insured's work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in the Insured's contract has been completed.
      - (b) When all of the work to be done at the job site has been completed if the Insured's contract calls for work at more than one job site.
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- (b) Does not include "bodily injury" or "property damage" arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.
25. "Professional services" shall include but not be limited to:
- (a) Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
  - (b) Any professional service or treatment conducive to health;
  - (c) Professional services of a pharmacist;
  - (d) The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
  - (e) The handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
  - (f) Any cosmetic, body piercing, tonsorial, massage, physiotherapy, chiropody, hearing aid, optical or optometrical services or treatments;
  - (g) The preparation or approval of maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications;
  - (h) Supervisory, inspection, architectural, design or engineering services;
  - (i) Accountant's, advertisers, notary's (Quebec), public notary's, paralegal's, lawyers, real estate broker's or agents, insurance broker's or agents, travel agents, financial institution's, or consultants professional advices or activities;
  - (j) Any computer programming or re-programming, consulting, advisory or related services;



- (k) Claim, investigation, adjustment, appraisal, survey or audit services;
  - (l) Any counselling or pastoral services usual to ecclesiastical operations performed by or on behalf of the Named Insured, as indicated on individual Certificates of Insurance; or
  - (m) Early childhood education as defined in the Early Childhood Educators Act, 2007, S.O. 2007, Chapter 7, Schedule 8 and amendments.
26. "Property damage" means:
- (a) Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  - (b) Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
27. "Radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by any nuclear liability act, law or statute, or any law amendatory thereof, as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.
28. "Retained limit" means the available limits of "underlying insurance" scheduled in the individual Certificate of Insurance or the "self-insured retention, whichever applies.
29. "Self-insured retention" means the dollar amount listed in the individual Certificate of Insurance that will be paid by the Insured before this insurance becomes applicable only with respect to "occurrences" or offenses not covered by the "underlying insurance". The "self-insured retention" does not apply to "occurrences" or offenses which would have been covered by "underlying insurance" but for the exhaustion of applicable limits.
30. "Spores" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".
31. "Temporary worker" means a person who is retained by the Insured under a contract of service to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
32. "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.
33. "Ultimate net loss" means the total sum, after reduction for recoveries or salvages collectible, that the Insured becomes legally obligated to pay as "compensatory damages" by reason of settlement or judgments or any arbitration or other alternate dispute method entered into with the Insurers consent or the "underlying insurer's" consent.
34. "Underlying insurance" means those policies listed in the Schedule of Underlying Insurance in the individual Certificates of Insurance forming part of This Policy and any renewal or replacement of such policy(ies).
35. "Underlying insurer" means any insurer who provides any policy of insurance listed in the schedule of "underlying insurance".





36. "Volunteer worker" means a person who is not the Insured's "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by the Insured, and is not paid a fee, salary or other compensation by the Insured or anyone else for their work performed for the Insured.
37. "The Insured's product":
- (a) Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) The Insured;
      - (b) Others trading under the Insured's name; or
      - (c) A person or organization whose business or assets the Insured has acquired; and
    - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - (b) Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Insured's product"; and
    - (2) The providing of or failure to provide warnings or instructions.
  - (c) Does not include vending machines or other property rented to or located for the use of others but not sold.
38. "The Insured's work":
- (a) Means:
    - (1) Work or operations performed by the Insured or on the Insured's behalf; and
    - (2) Materials, parts or equipment furnished in connection with such work or operations.
  - (b) Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Insured's work", and
    - (2) The providing of or failure to provide warnings or instructions.

## Standard Excess Automobile Policy – S.P.F. NO. 7

### (Third Party Liability Only)

ATTACHED TO AND FORMING PART OF THIS UMBRELLA LIABILITY POLICY WHEREAS an application has been made by the applicant (hereinafter called the "Insured") to the Excess Insurer for a contract of excess automobile insurance and the said application forms part of this contract and is as follows:

#### APPLICATION

- Item 1. Named Insured, occupation and address. As set out on page 1 of the policy Declarations/individual Certificates of Insurance.
- Item 2. Policy period is as set out on page 1 of the policy Declarations/individual Certificates of Insurance.
- Item 3. **The Insured is warned that by statute this excess contract automatically terminates concurrently with the termination of any policy mentioned in Item 5.**
- Item 4. This application is for excess insurance against legal liability for bodily injury or death or damage to property of others upon the terms and conditions of the Excess Insurers standard policy form for excess insurance and for the following specified limit.

**Limit:** The amount shown on the Commercial Umbrella Liability Declarations/individual Certificates of Insurance (exclusive of costs) excess of the amount of the first loss and underlying excess insurance described in Item 5, for loss or damage resulting from bodily injury to or death of one or more persons and for loss or damage to property regardless of the number of claims arising from any one accident.

- Item 5. (a) Description of first loss motor vehicle liability insurance ) as set out in the Schedule of  
(b) Description of underlying excess insurance(s), if any, ) Underlying Policies section of  
attached/individual Certificates ) Umbrella Liability Declarations  
of Insurance. attached/individual Certificates  
of Insurance.

Item 6. Premium \$ included.

Item 7. Claims must be reported to the agent or the Insurer. Refer to special provisions 7 and 9 of this policy.

NOW THEREFORE, IN CONSIDERATION of the payment of the premium specified and of the statements contained in the application and subject to the limits, special provisions and conditions herein stated and subject, insofar as applicable, to the terms, conditions, general provisions, definitions and exclusions set forth in the first loss policy described in Item 5 of the application, which said terms, conditions, general provisions, definitions and exclusions are by reference incorporated herein, the Excess Insurer agrees to indemnify the Insured under the first loss motor vehicle liability insurance against liability imposed by law upon the Insured for an amount or amounts in excess of the limit(s) of the first loss insurance and the underlying excess insurance for loss or damage arising from the ownership, use or operation of the automobile(s) covered under such first loss insurance and the underlying excess insurance resulting from Bodily Injury to or Death of any Person or Damage to Property.

## SPECIAL PROVISIONS

1. The Excess Insurer's ultimate net loss liability shall not exceed the limit stated in Item 4 of the application in excess of the limit(s) of the first loss policy, and the underlying excess policy(ies) stated in Item 5 thereof, or such amount as the first loss Insurer and the underlying excess insurer shall be liable to pay under statute, whichever is the greater.  
The words "ultimate net loss" used in this policy mean the amount payable in settlement of the liability of the Insured after making deductions for all recoveries and for other valid and collectible insurances excepting the first loss and underlying policy(ies) and shall exclude all expenses and costs.
2. The word "costs" used in this policy means interest accruing after entry of judgment upon that part of the judgment which is within the limit of the Excess Insurers liability, investigation, adjustment and legal expenses, excluding, however, all office expenses of the Insured, all expenses of salaried employees of the Insured and general retainer fees for counsel normally paid by the Insured.
3. The Excess Insurer agrees to pay costs incurred by or on behalf of the Insured where these costs are not covered by the first loss or underlying excess policy(ies), on the following basis:
  - (a) should any claim or claims become adjustable prior to the commencement of trial for not more than the first loss and underlying excess policy limit(s) then no costs shall be payable by the Excess Insurer;
  - (b) should, however, the amount for which said claim or claims may be so adjustable exceed the first loss and underlying excess policy(ies) limit(s), then the Excess Insurer shall contribute to the costs incurred on behalf of the Insured in the ratio that the Excess Insurers proportion of the ultimate net loss as finally adjusted bears to the whole amount of such ultimate net loss;
  - (c) in the event that the Insured or the Insurer under the first loss policy elects not to appeal a judgment in excess of the limit(s) of the first loss and underlying excess policy(ies) the Excess Insurer may elect to conduct such appeal and shall be liable for the taxable costs and interest incidental thereto; but in no event shall the total liability of the Excess Insurer exceed the limit of liability stated in Item 4 of the application, plus the expense of such appeal.
4. All recoveries or payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Excess Insurer, provided always that nothing in this policy shall be construed to mean that losses under this policy are not payable until the Insured's ultimate net loss has finally been ascertained.
5. Liability to pay under this policy shall not attach unless and until the first loss and underlying excess Insurer(s) shall have admitted liability for the first loss and underlying excess limit(s) or unless and until the Insured has by final judgment been adjudged to pay an amount which exceeds such first loss and underlying excess limit(s) and then only after the first loss and underlying excess insurer(s) has/have paid or has/have been held liable to pay the full amount of the first loss and underlying excess limit(s).
6. Neither the inclusion of more than one entity in the name of the Insured nor the addition of any additional Insureds under this policy shall in any way operate to increase the limit of liability set forth in Item 4 of the application.
7. Notwithstanding Statutory Condition 3(1) contained in the first loss policy the Insured is only required to give the Excess Insurer notice of any accident if the claim or claims possibly arising



therefrom appear likely to exceed the first loss insurance, in which case immediate written notice thereof must be given to the person or firm mentioned in Item 7 of the application.

8.
  - (a) This policy may be terminated
    - (i) by the Excess Insurer giving to the Insured fifteen days' notice of termination by registered mail, or five days' written notice of termination personally delivered; or
    - (ii) by the Insured at any time on request.
  - (b) Where this policy is terminated by the Excess Insurer
    - (i) The Excess Insurer shall refund the excess of premium actually paid by the Insured over the pro rata premium for the expired time, but in no event shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
    - (ii) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as possible.
  - (c) Where this policy is terminated by the Insured the Excess Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
  - (d) The refund may be made by money, postal or express company money order, or by cheque payable at par.
  - (e) The fifteen days mentioned in clause (i) of sub-condition (a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
  - (f) Nothing in this special provision shall in any way affect the operation of the statutory provision in The Insurance Act providing that where the contract or contracts designated in the excess contract terminates or is terminated, the excess contract is automatically terminated. In the event that this policy is automatically terminated, the Excess Insurer agrees to refund the excess of premium actually paid over the pro rata premium for the expired term (subject to any minimum retained premium specified) as soon as practicable, but if there is any pro rata premium unpaid the Insured agrees to pay this.
9. Any written notice to the Excess Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Excess Insurer in this province. Written notice may be given to the Insured named in this policy by letter personally delivered to him or by registered mail addressed to him at his latest post office address notified to the Excess Insurer, In this condition the expression "registered" means registered in or outside Canada.

## Reduced Coverage For Lessees Or Drivers Of Leased Vehicles Endorsement (O.E. F. 110)

(Standard Excess Automobile Policy S.P.F. No. 7)

### 1. Purpose of this endorsement:

This endorsement restricts the coverage provided by this policy with respect to claims in Ontario for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of a Motor Vehicle that is leased. For the purposes of s. 267.12 (1) (a) of the *Insurance Act* (Ontario), this policy shall be deemed to have been issued only to the lessee of the Motor Vehicle, and not to the lessor.

### 2. How the policy coverage is changed:

Except as provided in this endorsement, this policy provides no coverage for the lessee or driver of a leased vehicle for liability imposed upon them by law in a proceeding in Ontario for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of a motor vehicle that is leased.

- Coverage for any lessee or driver is provided only to the extent, if any, that the aggregate of all underlying coverage available to the lessee and/or the driver is less than \$1,000,000 or such greater amount agreed upon and indicated here: . The aggregate limit of coverage under this policy available to the lessee and/or the driver is the amount by which \$1,000,000 or such greater amount agreed upon and indicated here: exceeds the aggregate of all underlying coverage available to the lessee and/or the driver.
- Underlying coverage available to the lessee and the driver includes the first loss motor vehicle liability insurance, any underlying excess insurance, insurance that is required to respond to the liability of the lessee, and insurance that is required to respond to the liability of the driver.

The terms leased, lease and lessee are used as equivalent to rented, rent and renter.

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



### **Blanket Follow Form**

#### Endorsement 1. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

Only to the extent that valid "underlying insurance" exists in Section V – Commercial General Liability or would have existed but for the exhaustion of underlying limits of liability, coverage so provided in this Section VI – Umbrella Liability will follow the provisions, exclusions, definitions and limitations of the "underlying insurance" unless coverage is specifically excluded or otherwise modified by an endorsement attached to and forming part of this Section VI of the Policy.

This endorsement does not apply to the Standard Excess Automobile Policy S.P.F. No. 7 attached to and forming part of this Section of the Policy.

All other terms and conditions remain unchanged.



## Fire Fighting Expenses Exclusion

### Endorsement 2. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

This insurance does not apply to any costs or expenses that the Insured is obligated to pay under statute, regulation, ordinance or law for controlling, preventing, fighting or extinguishing fires.

All other terms and conditions remain unchanged.

## Damage to Property (Follow-Form); Property Owned, Rented or Occupied by the Insure

### Endorsement 3. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

Exclusion (g) – Damage to Property of Paragraph 2, Exclusions of Part I – Coverage A – Bodily Injury and Property Damage Liability is deleted and replaced by the following:

This insurance does not apply to:

(g) **Damage to Property**

"Property Damage" to:

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

Paragraph (1) of this exclusion does not apply to the extent that valid "underlying insurance" for "property damage" to property the Insured owns, rents or occupy exists or would have existed but for the exhaustion of underlying limits for "property damage". Coverage so provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

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

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

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

**All other terms and conditions remain unchanged.**





### Non-Accumulation of Limits

#### Endorsement 4. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

Under Part III, Limit of Insurance, the following is added:

5. If an "occurrence", claim or "action" covered under an individual Certificate of Insurance forming part of This Policy is also covered under another individual Certificate of Insurance forming part of This Policy issued by us or other member insurer of Intact , to any of the Named Insureds or Companies related to the Named Insured, the combined maximum amount available for such "occurrence", claim or "action" under all applicable policies will not exceed the amount stated in the individual Certificate of Insurance with the highest each "occurrence" Limit of Liability.

Payments made for such "occurrence", claim or "action" will be treated as paid under each of the applicable Umbrella Liability Certificates of Insurance for purposes of determining the Limits of Liability available under the "Products-Completed Operations Hazard" Aggregate or other Aggregate as respects any subsequent "occurrence", claim or "action".

Each Individual Certificate of Insurance issued, shall not contribute to or respond as excess above any other Certificate of Insurance issued under the master policy HUB 1925.

**All other terms and conditions remain unchanged.**



## Abuse and Harassment Exclusion

Endorsement 5. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

This insurance does not apply to any claim or "action" arising directly or indirectly from acts of "Abuse and Harassment", whether actual or alleged, including any civil or criminal costs or expenses incurred by any Insured in defence of such claim or "action".

For purposes of this exclusion, "Abuse and Harassment" means any act or threat involving molestation, harassment, corporal punishment, sexual molestation or any other form of physical, sexual or mental abuse, committed or alleged to have been committed by any Insured.

**All other terms and conditions remain unchanged.**



## Employee Benefits Liability (Follow Form)

### Endorsement 6. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

1. The insurance provided by this Section of the Policy also applies to the "ultimate net loss" in excess of the "retained limit" due to any claim made against the Insured by any employee, former employee, or the dependents, beneficiaries or legal representatives thereof because of any negligent act, error, or omission of the Insured or any other person for whose acts the Insured is legally liable, in the administration of the Insured's employee benefits program, but only to the extent that valid "underlying insurance" for such negligent act, error or omission exists or would have existed but for the exhaustion of underlying limits for such negligent act, error or omission. Coverage so provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.
2. With respect only to coverage provided by this endorsement:
  - a. The term "occurrence" shall include a claim first made against the Insured during the policy period.

**All other terms and conditions remain unchanged.**



## Professional Services Errors and Omissions Exclusion

Endorsement 7. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

This insurance does not apply to "bodily injury" or "property damage" due to the rendering of or failure to render, by or on behalf of the Insured, any "professional services" for others, or any error or omission, malpractice or mistake in providing these services.

**All other terms and conditions remain unchanged.**

## Absolute Pollution Liability Exclusion (Hostile Fire Exception)

Endorsement 8. Forming Part of Section VI of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

Exclusion 4. – Pollution of COMMON EXCLUSIONS – COVERAGES A AND B is deleted and replaced by the following:

This insurance does not apply to:

### 4. Pollution

- (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

This exclusion does not apply to "bodily injury", or "property damage" arising out of heat, smoke, or fumes from a "hostile fire" unless that "hostile fire" occurred or originated.

- (i) 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; or
- (ii) 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 to test for, monitor, clean up, remove, contain, treat detoxify or neutralize, or in any way respond to, or assess the effect of "pollutants".
- (b) Any loss, cost or expense arising out of any:
- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of "pollutants"; or
- (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 or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**All other terms and conditions remain unchanged.**



## Communicable Disease Exclusion

U14 (15Sept20)

Attached to and forming part of the United Church Commercial Umbrella Liability Section VI. Unless specifically defined below, words and phrases in quotations have special meanings as defined in the attached Commercial Umbrella Liability Form (as indicated on the coverage summary).

This insurance does not apply to:

“Bodily injury”, “property damage”, or “personal and advertising injury” or any other cost, loss or expense, arising directly or indirectly, in whole or in part, from of the actual, alleged, or threatened contact with, exposure to, existence of, presence of, spread of, or infection by any “communicable disease”, however caused.

For greater clarity, this exclusion applies to expenses or costs incurred even if one or more of the claims against the insured allege negligence or other wrongdoing in the:

- a. supervision, hiring, employment, training or monitoring of others resulting in the spread of a “communicable disease”;
- b. monitoring of, testing for, responding to or otherwise assessing a “communicable disease”;
- c. failure to abate, clean, contain, decontaminate, detoxify, prevent, mitigate, neutralize, remove or otherwise stop the spread of any “communicable disease”;
- d. failure to comply with any law, ordinance, order, announcement, pronouncement, advice, recommendation, suggestion or guidance, whether written or oral, of or made by any governmental or quasi-governmental entity, agency or other organization with authority (whether delegated or otherwise); or
- e. failure to report any “communicable disease” to any such entity, agency or organization referred to in sub-clause d. above.

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

### Additional Definition “Communicable disease” means:

- a. any form of pathogen or microorganism including but not limited to any virus, bacteria, “fungi”, “spores”, mycotoxins, parasites or any groups or colonies of the foregoing; or
- b. any disease arising from or symptom manifested due to any such pathogen or microorganism; or
- c. the threat or fear (whether actual or perceived) of (a) or (b) whether rational or unfounded.

In the event of any inconsistency between any terms of this policy, the terms set out in this exclusion shall take precedence over any other terms in the policy wording.

Except as otherwise provided in this exclusion, all terms, provisions and conditions of the Commercial Umbrella Liability shall have full force and effect.

## Section VII – Abuse – Indemnity Form

57062 (01Aug04)

(including Section VII Endorsements No. 1 – No. 2 attached to and forming part of Master Policy No. HUB 1925)

**Applicable where Abuse Liability is specifically shown as covered on individual Certificates of Insurance**

**This is a Claims -Made Form - read it carefully. Words and phrases in quotation marks have special meaning.**

In consideration of the premium, in reliance on the statements in the “Application”, and subject to the Coverage Summary and all of the terms, exclusions, conditions and limitations of this “Policy”, the Insurer and the “Insured” agree as follows:

### **I. Insuring Clause**

The Insurer will pay all sums which the “Insured” shall become legally obligated to pay for “Loss” resulting from “Claims” first made against the “Insured” during the “Policy Period”, and reported in writing to the Insurer in accordance with section IV.B of this “Policy”, provided that:

- a. the “Claim” is based upon or arises directly or indirectly from “Abuse” which occurred or allegedly occurred on or after the “Retroactive Date” and prior to the termination of this “Policy”;
- b. the “Abuse” arises out of the “Business of the Insured”; and
- c. the “Abuse” occurred within the “Policy Territory”, and the “Claim” is brought, in Canada.

### **II. Defence, Settlement and Co-operation**

The Insurer shall have the right and duty to defend any “Claim” covered by this “Policy”, even if any of the allegations are groundless, false or fraudulent, and the Insurer shall pay the “Defence Costs” it incurs. The Insurer’s duty to defend shall cease upon exhaustion of the per claim or aggregate Limit of Liability under this “Policy”, whichever is applicable, by payment of “Loss”.

The Insurer may investigate and settle any “Claim” at the Insurer’s discretion.

The “Insured” agrees to provide the Insurer with all information, assistance and co-operation which the Insurer reasonably requests and agrees that in the event of a “Claim” the “Insured” will do nothing that shall prejudice the Insurer’s position or its potential or actual rights of recovery.



### III. Exclusions

The Insurer shall not be liable for “Loss” resulting from any “Claim” made against any “Insured”:

1. who is alleged to have committed the “Abuse” described in the “Claim”;
2. where the “Claim” was first made against any “Insured” prior to the “Policy Period”;
3. based on, arising out of, or in any way involving any fact, circumstance or situation:
  - (a) which has been or should have been the subject of any notice given under any policy of insurance of which this “Policy” is a direct or indirect renewal or replacement;
  - (b) underlying, alleged in or relating to any demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding pending against any “Insured” on or prior to the “Retroactive Date” set forth in the Coverage Summary for this “Policy”; or
  - (c) involving any “Abuse” allegedly occurring prior to the “Retroactive Date” set forth in the Coverage Summary for this “Policy” and/or after the termination of this “Policy”.
4. brought or maintained by or on behalf of any other “Insured” except for a crossclaim, third party claim or similar claim seeking contribution and indemnity from an “Insured” in respect of a “Claim” made against such “Insured” and which is not otherwise excluded by the terms of this “Policy”;
5. arising out of “Abuse” by or involving any person or entity before he, she or it became an “Insured” under this “Policy” or after he, she or it ceased to be an “Insured” under this “Policy”;
6. arising out of “Abuse” by any “Insured Person” on any other “Insured Person”;
7. for liability of others assumed by any “Insured” under any written, oral, express or implied contract or agreement except to the extent that an “Insured” would have been liable in the absence of the contract or agreement.





## IV. General Conditions and Limitations

### A. Limit of Liability and Deductible

The per “Claim” Limit of Liability as indicated in the Coverage Summary of this “Policy” shall be the maximum liability of the Insurer for all “Loss” for any single “Claim” first made and reported to the Insurer during the “Policy Period”, regardless of the time of payment by the Insurer.

The aggregate Limit of Liability as indicated in the Coverage Summary of this “Policy” shall be the maximum liability of the Insurer for all “Loss” resulting from all “Claims” first made and reported to the Insurer during the “Policy Period”, regardless of the time of payment by the Insurer.

The Insurer’s liability with respect to “Loss” arising from any single “Claim” shall apply only to that part of such “Loss” which is excess of the applicable Deductible set forth in the Coverage Summary for this “Policy”. The “Insureds” shall bear uninsured at their own risk the amount of any applicable Deductible.

All “Related Claims” shall be deemed one “Claim”, and such “Claim” shall be deemed to be first made on the date the earliest of such “Claims” was first made against any “Insured”.

### B. Notice

The “Insured” shall, as a condition precedent to its rights under this “Policy”, give to the Insurer written notice of any “Claim” first made against the “Insured” during the “Policy Period”, with full details, as soon as practicable during the “Policy Period”, but in no event later than thirty (30) days following the termination of the “Policy Period”.

If during the “Policy Period” an “Insured” becomes aware of circumstances which could reasonably give rise to a “Claim” and gives written notice of such circumstances and the other information referenced below to the Insurer, then any “Claim” subsequently arising from such circumstances shall be considered to have been first made during the “Policy Period” in which the circumstances were first reported to the Insurer. Any such notice of circumstances shall include a description of the circumstances, the nature of the alleged “Abuse”, the nature of the alleged or potential damage, the names of actual or potential claimants and “Insureds” involved, and the manner in which the “Insured” first became aware of the circumstances.

All notices under any provision of this “Policy” shall be in writing and given by actual delivery, prepaid express courier, registered or certified mail or fax properly addressed to the appropriate party. Notice to the “Insured” may be given to the “Insured Organization” named in the Coverage Summary at the address as shown in the Coverage Summary. Notice to the Insurer shall be given to the Insurer at the address specified in the Coverage Summary.

Notice given as described above shall be deemed to be received and effective upon actual receipt thereof by the addressee at the specified address.

**C. “Application”, Representations and Severability**

In granting coverage under this “Policy”, the Insurer has relied upon the statements and representations in the “Application”. The “Insured” represents that all such statements and representations are true and shall be deemed material to the acceptance of the risk assumed by the Insurer under this “Policy”.

The “Insured” agrees that in the event that any such statements and representations are untrue, this “Policy” shall not afford any coverage with respect to any of the following “Insureds”:

1. any “Insured Person” who knew as of the effective date of this “Policy” the facts that were not truthfully disclosed in the “Application”;
2. any “Insured Organization”, to the extent it indemnifies any “Insured Person” referenced in 1, above; and
3. any “Insured Organization”, if any “Executive Officer” of the “Insured Organization” knew as of the effective date of this “Policy” the facts that were not truthfully disclosed in the “Application”,

whether or not such “Insured” or “Executive Officer” knew of such untruthful disclosure in the “Application”.

**D. Allocation**

If any “Claim” made against “Insureds” involves either covered and non-covered allegations or covered and non-covered parties, or both, the “Insureds” and the Insurer shall fairly and reasonably allocate “Loss” payable under this “Policy” on behalf of “Insureds” and all other amounts not covered under this “Policy” based on the relative legal exposures of the “Insureds” and non-covered parties to both covered “Claims” and non-covered allegations.

In the event that the “Insureds” and the Insurer are unable to agree at first instance upon an allocation of “Loss”, the Insurer shall advance on a current basis that portion of the “Loss”, as incurred, which the Insurer believes attributable to the defence of covered allegations and/or parties and the “Insureds” shall pay the balance thereof until such time as a different allocation is negotiated, arbitrated or judicially determined. Any negotiated, arbitrated or judicially determined allocation of “Loss” on account of a “Claim” shall be applied retroactively to all “Loss” on account of such “Claim” notwithstanding any prior advancement to the contrary. Any allocation or advancement of “Loss” on account of a “Claim” shall not apply to or create any presumption with respect to the allocation of other “Loss” on account of such “Claim”.

**E. Canadian Currency Clause**

All premiums, Limits of Liability, Deductibles, and other amounts under this “Policy” are expressed and payable in the currency of Canada.

**F. Subrogation**

In the event of any payment under this “Policy”, the Insurer shall be subrogated to the extent of such payment to all the “Insured’s” rights of recovery. The “Insured” shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Insurer effectively to bring suit in the name of the “Insured”.



#### **G. Authorization Clause**

By acceptance of this “Policy”, the “Insured Organization” named in the Coverage Summary agrees to act on behalf of all “Insureds” with respect to the giving and receiving of notice of “Claim”, the payment of premiums and the receiving of any return premiums that may become due under this “Policy”, the agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this “Policy”, and all “Insureds” agree that such “Insured Organization” shall so act on their behalf.

#### **H. Alteration, Assignment, Headings and Interpretation**

No change in, modification of, or assignment of interest under this “Policy” shall be effective except when made by a written endorsement to this “Policy” which is signed by an authorized representative of the Insurer.

The titles and headings to the various sections, subsections and endorsements of this “Policy” are included solely for ease of reference and do not in any way limit, expand or otherwise affect the provisions of such sections, subsections or endorsements.

In this “Policy”, the singular includes the plural and vice versa.

#### **I. Other Insurance**

This “Policy” shall be specifically excess of any other valid and collectible insurance (including but not limited to any insurance which is stated to be primary, contributory, excess, contingent or otherwise) under which there is a duty to defend, unless such other insurance is specifically stated to be in excess of this “Policy”. In no event shall this “Policy” be construed to contribute rateably with any such other insurance.

This “Policy” shall not follow the terms of any other insurance.

#### **J. No Action Against the Insurer**

No action may be taken against the Insurer unless, as a condition precedent thereto, there has been full compliance with all of the terms of this “Policy”.

No person or entity shall have any right under this “Policy” to join the Insurer as a party to any “Claim”, nor may the Insurer be impleaded by an “Insured” or his or her legal representative in any such “Claim”. The Insurer will not be relieved of any of its obligations under this “Policy” by the bankruptcy or insolvency of any of the “Insureds” or their estates.

## **K. Transactions Changing Coverage**

### **1. Acquisition or Creation of Another Organization**

If, during the “Policy Period”, the “Insured Organization”:

- (a) acquires an interest in or creates another organization, which as a result of such acquisition or creation becomes a “Subsidiary”; or
- (b) acquires any organization by merger into or consolidation with the “Insured Organization”, such organization and its “Insured Persons” shall be covered under this “Policy”, subject to the requirements of the immediately following paragraph herein, but only with respect to “Abuse” taking place after such acquisition or creation unless the Insurer agrees to provide coverage by endorsement for “Abuse” taking place prior to such acquisition or creation.

As a condition precedent to coverage with respect to such “Insureds”, the “Insured Organization” shall give written notice of such acquisition or creation to the Insurer as soon as practicable but in no event later than 15 days from the date of such acquisition or creation and shall pay any reasonable additional premium required by the Insurer and accept any terms and conditions required by the Insurer. The Insurer may, in its sole discretion, decline to offer terms and conditions for any such organization.

### **2. Acquisition of “Insured Organization”**

If, during the “Policy Period”, any of the following events occurs:

- (a) the acquisition of the “Insured Organization” named in the Coverage Summary, or of all or substantially all of its assets, by another entity, or the merger or consolidation of such “Insured Organization” into or with another entity such that the “Insured Organization” is not the surviving entity; or General Conditions and Limitations (Continued)
- (b) the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate at least fifty percent (50%) of the directors or trustees of such “Insured Organization”, coverage will continue in full force and effect for the “Insured Organization” and its “Insured Persons” until termination of this “Policy” but only with respect to “Claims” for “Abuse” taking place before such event occurred. No coverage will be afforded under this “Policy” with respect to “Claims” for “Abuse” taking place after such event occurred.

### **3. Cessation of Subsidiaries**

If during the “Policy Period” an organization ceases to be a “Subsidiary”, coverage with respect to such “Subsidiary” and its “Insured Persons” shall continue until termination of this “Policy”, but only with respect to “Claims” for “Abuse” taking place prior to the date such organization ceased to be a “Subsidiary”. No coverage will be afforded under this “Policy” with respect to “Claims” for “Abuse” taking place after the date such organization ceased to be a “Subsidiary”.



## L. Termination of “Policy”

This “Policy” shall terminate at the earliest of the following times:

1. the effective date of termination specified in a prior written notice to the Insurer by the “Insured Organization” named in the Coverage Summary, provided this “Policy” may not be terminated by such “Insured Organization” (a) after the effective date of an event described in Subsection IV.K.2., above, or (b) if the “Policy Period” is longer than one (1) year;
2. upon expiration of the “Policy Period” as set forth in the Coverage Summary;
3. if this “Policy” is terminated by the Insurer, the earlier of (i) twenty days after mailing, or (ii) fifteen (15) days after receipt, by registered mail to the “Insured Organization” named in the Coverage Summary, of a written notice of termination from the Insurer; or
4. at such other time as may be agreed upon by the Insurer and the “Insured Organization” named in the Coverage Summary.

The Insurer shall refund the unearned premium computed at customary short rate if this “Policy” is terminated by such “Insured Organization”. Under any other circumstances the refund shall be computed pro rata. Payment or tender of any unearned premium by the Insurer shall not be a condition precedent to the effectiveness of such termination, but such payment shall be made as soon as practicable.

## V. Definitions

When used in this “Policy”:

- A. **“Abuse”** means molestation, harassment, corporal punishment or any other form of physical or mental abuse committed or alleged to have been committed by any “Insured”.
- B. **“Application”** means all signed applications, including materials and attachments prepared specifically for and submitted therewith, for this “Policy” and for any prior policy of insurance in an uninterrupted series of policies issued by the Insurer of which this “Policy” is a renewal or replacement. All such applications, attachments and materials are deemed attached to and incorporated into this “Policy”.
- C. **“Business of the Insured”** means the business of the “Insured” as shown in the Coverage Summary of this “Policy”.
- D. **“Claim”** means any written or oral notice of “Abuse” or demand for “Compensatory damages”, or any other form of monetary relief, including a civil proceeding commenced by the issuance of a Notice of Action, Statement of Claim, Writ of Summons, Complaint or similar pleading against any “Insured” for “Abuse”, including any appeal therefrom. A “Claim” is first made against the “Insured” on the date upon which any “Insured”, including the “Insured Organization”, is first notified thereof.
- E. **“Compensatory Damages”** means damages due or awarded in payment of actual injury or economic loss. “Compensatory damages” does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
- F. **“Defence Costs”** means necessary and reasonable costs, charges, fees (including but not limited to legal fees and experts’ fees) and expenses (other than wages, salaries, fees or benefits of any “Insured Person” of the “Insured Organization”) incurred in defending or investigating “Claims” or assisting the Insurer in investigating or defending “Claims” pursuant to the Insurer’s written request, as well as the premium for appeal, attachment or similar bonds, but without any obligation to apply for or furnish any such bonds.

- G. **“Executive Officer”** means the chairperson of the board of directors/trustees, president, chief executive officer, or chief financial officer of the “Insured Organization”.
- H. **“Insured Organization”** means the entity named in the Coverage Summary, and its “Subsidiaries”.**V.**
- I. **“Insured Person”** means any past, present or future directors, trustees, officers, employees or volunteers of the “Insured Organization”, or any member of the staff, faculty or duly constituted committee of the “Insured Organization”.
- J. **“Insured”** means:
1. the “Insured Organization”;
  2. any “Insured Person”; and
  3. the “Insured Person’s” legal representative if the “Insured Person” dies, but only with respect to “Claims” made against such “Insured Person” for which coverage is afforded under this “Policy”. That legal representative shall be subject to all the “Insured Person’s” rights and duties under this “Policy”.
- K. **“Loss”** means “Defence Costs”, “Compensatory damages” for judgments and/or settlements, pre-judgment and post-judgment interest on such judgments and/or settlements, and all costs taxed against the “Insureds” in any “Claim”. “Loss” does not include
- (1) fines or penalties imposed by law, (2) the cost of complying with any order or declaration for any injunctive or other non- monetary relief or any agreement to provide any such relief, or (3) matters uninsurable under the law pursuant to which this “Policy” is construed.
- L. **“Policy”** means this Abuse - Indemnity Form for the “Policy Period”.
- M. **“Policy Period”** means the period of time specified in the Coverage Summary, subject to prior termination in accordance with Subsection IV.L., above.
- N. **“Related Claims”** means all “Claims” based on, arising out of, or in any way involving “Abuse” by any one person, or more than one person acting in concert.
- O. **“Retroactive Date”** means the date shown as the “Retroactive Date” on the Coverage Summary for this “Policy”, but if no such date appears on the Coverage Summary, the inception date of the first “Policy” issued by the Insurer of which this “Policy” is a continuous renewal.
- P. **“Subsidiary”** means:
1. any Non-Profit Organization in respect of which the “Insured Organization” has the right to elect or appoint more than fifty percent (50%) of the directors or trustees, and
  2. any other organization specifically included as a “Subsidiary” by written endorsement to this “Policy”.
- Q. **“Policy Territory”** means:
- a. Canada and the United States of America (including its territories and possessions); or
  - b. anywhere in the world; provided the “Insured’s” responsibility to pay damages is determined in an “Action” on the merits, in the territory described in a. above or in a settlement agreed to by the Insurer.



## Sexual Abuse Counseling and Rehabilitation Expense Endorsement

### Endorsement 1. Forming Part of Section VII of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

At the request of the “Insured”, the Insurer will pay to or for each person who sustains “Bodily Injury” caused by “Abuse” to which this insurance applies, all reasonable rehabilitation, counseling and medical expenses necessary in the treatment of such “Bodily Injury”. Such expenses shall be limited to \$20,000 any one person and subject to a maximum \$100,000 in any annual “Policy Period” applicable to each individual Certificate of Insurance.

### Exclusions

This insurance shall not apply to:

- (a) any portion of expenses which is prohibited by law;
- (b) any portion, if benefits for such “Bodily Injury” are payable under any workers' compensation law;
- (c) any “Insured” whose professional services are governed by a regularity authority in any province or territory of Canada under which a health professions statute provides for such benefits;
- (d) any portion which may be payable as rendered under a civil suit indemnifiable under Insuring Agreement A;
- (e) any person who perpetrates, or who is alleged to have perpetrated “Abuse”, as defined by this Section of the Policy.

### Definitions

“Bodily Injury” means: Bodily injury, sickness, disease, disability, shock, mental anguish, mental injury or humiliation sustained by a person, including death resulting from any of these at any time.

All other terms and conditions remain unchanged.

## Civil and Criminal Defence Costs Reimbursement

### Endorsement 2. Forming Part of Section VII of Policy No. HUB 1925

This endorsement modifies insurance provided under this Section of the Policy as follows:

- b) In a Civil Action involving allegations of “Abuse” to which this insurance applies, if such “Insured” is found not to have participated in, directed, instigated, facilitated, prompted, condoned, connived or otherwise to have been in any way involved with the “Abuse”, the Insurer will reimburse the “Insured’s” reasonable defence costs.
- c) In a Criminal Action arising out of “Abuse” to which this insurance applies, the Insurer will reimburse the “Insured” for reasonable costs incurred by an “Insured” in defending charges brought against an “Insured” under the Criminal Code of Canada or the corresponding statute in the jurisdiction in which the charges were laid, provided that:
  - (v) the criminal charges are in respect of, arise from, or are related to, a “Claim”, act, event, incident, situation, circumstance or happening, entirely taking place within the “Policy Territory” and “Policy Period”; and
  - (vi) the Insurer is notified as soon as practicable of any charge laid against an “Insured”; and
  - (vii) the “Insured” is either acquitted or all charges are withdrawn or dismissed, with prejudice by the responsible authorities; and
  - (viii) the reimbursement of costs incurred by an “Insured” will only be made following the acquittal or withdrawal or dismissal, with prejudice of all charges against the “Insured”.

The Insurer's Limit of Liability for Civil and Criminal Defence Costs Reimbursement shall be limited to \$50,000. each “Claim” and shall not exceed \$250,000. in the Aggregate applicable to each individual Certificate Holder regardless of the number of Insureds, charges, actions or allegations of “Abuse”