

WHAT TO DO WHEN LOSS OCCURS?

General Information



How to Report a Claim

If you suffer a loss which you believe is covered by a CNA insurance policy, please contact your broker immediately:

Partners Indemnity Insurance Brokers

400-10 Adelaide St. E.

Toronto, ON M5C 1J3

Phone: 416-366-5243

Toll Free: 1-877-427-8683

Fax: 416-862-2416

Via email:

pdac@partnersindemnity.com

When reporting a claim, you are requested to provide the name of the program/insured, the policy/certificate number along with basic details of the claim.

Our service commitment is to respond to all notices within 24 hours.

Code of Consumer Rights and Responsibilities

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

Right to Be Informed

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

You have the right to ask who is providing compensation to your broker or agent for the sale of your insurance. Your broker or agent will provide information detailing for you how he or she is paid, by whom, and in what ways.

Insurance companies will disclose their compensation arrangements with their distribution networks. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

Responsibility to Ask Questions and Share Information

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

Right to Complaint Resolution

Insurance companies, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access your company's complaint resolution process. Your insurer, agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Disputes involving claims settlement matters may be handled by the independent General Insurance OmbudService www.gioscad.org where your complaint may be referred to an independent mediator.

Responsibility to Resolve Disputes

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

Right to Professional Service

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

Right to Privacy

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

<p>Named Insured: Prospectors & Developers Association of Canada (PDAC)</p>	<p>Policy Number: MPR 2345556</p>
<p>Producer: Partners Indemnity Insurance Brokers Ltd. 10 Adelaide Street East, Suite 400 Toronto, ON M5C 1J3</p>	<p>Company: Continental Casualty Company</p> <p>Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER</p> <p>Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER</p> <p><i>12:01am Standard time at the mailing address of the Named Insured</i></p> <p>Coverage Territory: Worldwide</p>

Coverage Form


Coverage Type	Premium
1. Commercial Property Coverage	Included
2. Commercial Business Income Coverage	Included
3. Commercial General Liability Coverage	Included
• Non-owned Automobile Liability	Included
• Political Risk	Included
• Kidnap & Ransom and/or Wrongful Detention	Included
4. Voluntary Workers' Compensation and Employers' Liability Coverage	Included
5. Commercial Inland Marine Coverage	Included
Total Premium payable at inception:	AS PER CERTIFICATES ON FILE WITH INSURER

This policy contains a clause that may limit the amount payable.

Premium shown in the Declarations for a Policy Period extending beyond one year will be calculated based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date, we will compute the premium for each Coverage Form in accordance with our underwriting standards then in effect.

In return for the payment of the premium, and subject to all the terms of the policy, we agree with you to provide insurance as stated in this policy. This policy consists of a series of Coverage Forms that follow this page. This premium may be subject to adjustments.

Note: For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Continental Casualty Company's insurance business in Canada.



 Authorized Representative

Common Policy Declarations

Endorsements

- Coverage Territory Limitation Endorsement
- Declaration Of Emergency Endorsement
- Important Notice Endorsement
- United States Terrorism Risk Insurance Act Endorsement
- War or Terrorist Action Property and Liability Exclusion Endorsement

Notice to Insureds

Pursuant to the Freedom of Information and Protection of Privacy Act, 1997, we are required by the Government of Ontario to attach the following to all policies that may involve Ontario exposures, effective on or after January 1, 1990.

Legal Authority For Collection:

Insurance Act, R.S.O. 1990, c218, as amended, section 80 (1).

Principal Purpose For Which Personal Information Intended To Be Used

Information collected by insurers from insureds or supplied to insurers pertaining to the attached will be used:

- to compile aggregated statistical data to be used in monitoring trends in the insurance industry;
- to develop statistical exhibits to be used in monitoring the insurance industry;
- to respond to requests for customised statistical information in the insurance industry;
- to respond to inquiries on statistical information on the insurance industry;
- to use and disclose such information for the purposes which are consistent with the previous clauses.

The Public Official Who Can Answer Questions About The Collection Is:

Manager, Commercial Liability Statistical Plan
16th Floor, 5160 Yonge Street, North York, Ontario. M2N 6L9
Telephone: (416) 250 – 6750
Fax: (416) 590 – 7073

Commercial Property Declarations

Policy Number:

Named Insured: **Prospectors & Developers Association of Canada (PDAC)**

MPR 2345556

Effective Date:

AS PER CERTIFICATES ON FILE WITH INSURER

Policy Period:

AS PER CERTIFICATES ON FILE WITH INSURER

Coverage, Limits and Premiums

Location and Coverage Type	Coinsurance	Limit	Premium
1. AS PER CERTIFICATES ON FILE WITH INSURER	STATED AMOUNT	AS PER CERTIFICATES ON FILE WITH INSURER	
Total Advanced Premium			Included

Property

Additional Coverages	Sub-limit	
Debris Removal	25% of direct loss (see policy section)	
Pollution Clean-Up/Removal	\$ 25,000	
Preservation of Property	\$ 50,000	
Fire Department Service Charge	\$ 25,000	
Building By-Laws	Included in Limit	
Interruption of Service	\$ 100,000	
Coinsurance Deficiency	\$ 25,000	
Blanket Limit of Extensions Coverage (\$500,000 annual aggregate limit)		
Accounts Receivable		
Theft Damage to Unowned Building Property		
Extra Expenses		
Fine Arts		
Fire Protection Equipment Recharge Expense		
Trees, Shrubs, Plants or Lawns		
Leasehold Interest		
Master Key Replacement		
Personal Effects		
Arson and Crime Reward Payment		
Coverage Extensions	Sub-limit	
Newly Acquired or Newly Constructed Property		



Commercial Property Declarations

• Buildings or Structures	\$ 2,000,000
• Business Personal Property	\$ 1,000,000
Electronic Data Processing:	
• Electronic Media & Records (Cost of Research)	\$ 100,000
• Computer Virus (Expense to Retract)	\$ 2,500
• Annual Aggregate	\$10,000
• Unauthorized Computer Access	\$ 5,000
Rents (If Business Income is not covered)	\$ 25,000
Bonus Payments	\$ 5,000
Prepaid Rent	\$ 10,000
Valuable Papers and Records (Other than Electronic Data)	\$ 500,000
Royalties	\$ 50,000
Brands, Labels and Trademarks	\$ 50,000
Deferred Payments	\$ 25,000
Inventory or Appraisal	\$ 50,000
Water Damage, Other Liquids, Powder or Molten Material Damage	\$ 25,000
Property at Unnamed Locations	\$ 50,000
Money and Securities	
• Inside Premises	\$ 25,000
• Outside Premises	\$ 25,000
Property Off-Premises	
1) Property at Temporary Locations Including Exhibitions	\$ 50,000
2) Business Personal Property in Transit	\$ 50,000
3) Installation Coverage	\$ 50,000
Employee Theft	\$ 25,000
Laptop or Handheld Computers and Similar Portable Electronic Equipment	\$ 10,000
Peak Season	25% Increase
Loss Adjustment Expense	\$ 10,000
Unintentional Errors and Omissions	\$ 100,000
Coverage Limitations	Sub-limit
Theft of jewelry/watches and similar items	\$ 2,500
• furs/fur trimmed garments	\$ 2,500
• patterns/molds and dies	\$ 5,000
• stamps/tickets/letters of credit	\$ 250
Earth Movement - Annual Aggregate at all Locations inclusive of Locations further limited as follows (if any):	AS PER CERTIFICATES ON FILE WITH INSURER

Commercial Property Declarations

Flood - Annual Aggregate at all Locations inclusive of Locations
further limited as follows (if any)

AS PER
CERTIFICATES ON
FILE WITH INSURER

PRO 00-000 CE 112004

Endorsements

- Data Exclusion Endorsement
- Equipment Breakdown Inclusion Endorsement

Commercial Business Income Declarations

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number:
		MPR 2345556
		Effective Date:
		AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period:
		AS PER CERTIFICATES ON FILE WITH INSURER

Limits of Insurance

Location:	Limit of Insurance	Deductible	Premium
1. AS PER CERTIFICATES ON FILE WITH INSURER	AS PER CERTIFICATES ON FILE WITH INSURER	AS PER CERTIFICATES ON FILE WITH INSURER	Included
Dependent Business Locations:			
Not Applicable	Not Covered	Not Applicable	Not Applicable
Monthly Limit of Indemnity	Not Applicable % per Month		
Total Advanced Premium			Included
Subject to a Minimum and Retained Premium			Not Applicable

Additional Coverages/Coverage Extensions	Sub-limit	Deductible	Premium
Miscellaneous "Dependent Business Location"	\$25,000	Not Applicable	Included
Ingress/Egress	\$100,000	Not Applicable	Included
Civil Authority	30 Days / \$ 25,000	Not Applicable	Included
Alterations and New Buildings	\$100,000	Not Applicable	Included
Professional Fees	\$10,000	Not Applicable	Included
Newly Acquired Locations	\$250,000	Not Applicable	Included
Royalties			
• Per Location	\$25,000	Not Applicable	Included
• Aggregate	\$50,000	Not Applicable	Included

Additional Condition

Coinsurance: Stated Amount

CBI 01-000 CE 112009

Endorsements

- None



Commercial General Liability Declarations

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number:	MPR 2345556
		Effective Date:	AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period:	AS PER CERTIFICATES ON FILE WITH INSURER

Coverage and Limits of Liability

Coverage Type	Each Occurrence	Annual Aggregate	Premium
Commercial General Liability			
• Bodily Injury & Property Damage Liability	AS PER CERTIFICATES ON FILE WITH INSURER	AS PER CERTIFICATES ON FILE WITH INSURER	
• Personal & Advertising Injury Liability	AS PER CERTIFICATES ON FILE WITH INSURER	AS PER CERTIFICATES ON FILE WITH INSURER	
• Products Liability/Completed Operations	AS PER CERTIFICATES ON FILE WITH INSURER	AS PER CERTIFICATES ON FILE WITH INSURER	
Medical Payments — each person/ per accident	\$2,500 \$10,000	\$25,000	
Tenants' Legal Liability	\$500,000	Not Applicable	
Employee Benefits Liability	\$1,000,000	\$5,000,000	
Non-Owned Auto Liability	\$1,000,000	Not Applicable	
Total Advanced Premium			Included
Deposit Premium (if Applicable)			Not Applicable
Minimum Retained Premium			\$0

CGL 00-000 CE 112004

Coverage Extensions

Coverage Type	Each Occurrence	Annual Aggregate	Premium
Political Risk Coverage 120 day waiting period	\$50,000	\$50,000	Included
Kidnap and Ransom Coverage	\$100,000	\$100,000	Included

Additional Limits of Insurance

Coverage Type	Limit
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Commercial General Liability Declarations

Loss of Earnings — per day (refer to SECTION 1 – DEFENCE AND SUPPLEMENTARY PAYMENTS)	\$ 500	Included
Bail Bonds (refer to SECTION 1 – DEFENCE AND SUPPLEMENTARY PAYMENTS)	\$ 3,000	Included

Endorsements

- Employment-Related Practices Exclusion Endorsement
- Independent Contract Employee Inclusion Endorsement
- NetProtect Essentials
- Recording and Distribution of Material or Information in Violation of Law Exclusion Endorsement
- S.E.F. NO. 94 Legal Liability for Damage to Hired Automobiles
- Silica Exclusion

Deductible Schedule

Special Deductible Description	Deductible
1. Bodily Injury Liability & Property Damage Liability Combined - Per Occurrence	\$ 1,000
2. Employee Benefits Liability - Per Claim	\$ 1,000
3. Tenants Legal Liability - Per Occurrence	\$ 1,000

Voluntary Workers' Compensation and Employers Liability Declarations

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number:	MPR 2345556
		Effective Date:	AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period:	AS PER CERTIFICATES ON FILE WITH INSURER

Coverage and Limits of Liability

Coverage Type			Premium
Workers Compensation Insurance: Part One of the Coverage Form applies to Workers' Compensation Law of Provinces, States, Territories and Countries.	Per Benefits Applicable	Per Benefits Applicable	

Coverage Type	Coverage Occurrence	Coverage Aggregate	Premium
Employers Liability Insurance: Part Two of this Coverage Form applies to Employers' Liability with Limits of Insurance as shown in the Declarations			
Bodily Injury by Accident (each accident)	\$1,000,000	\$5,000,000	
Bodily Injury by Disease (each accident)	\$1,000,000	\$5,000,000	

Additional Coverages

Coverage Type	Limit	Aggregate Limit	Premium
Excess Repatriation (per Employee)	\$100,000	\$250,000	Included
Total Advanced Premium			Included

Classification of Employee	Part One - Workers' Compensation	Part Two - Employers Liability	Excess Repatriation
Canadian Employee	Province of Hire	Covered	Covered
US Employee	Not Covered	Not Covered	Not Covered
Third Country Nationals	Not Covered	Not Covered	Not Covered
Local Nationals	Not Covered	Not Covered	Not Covered

VWC 00 000 CE 082012

Endorsements

- Limitation to Persons Domiciled in Canada



Commercial Inland Marine Declarations

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number:
		MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Contractor's Equipment Declarations

Covered Property (Insurance applies only to those coverages designated by an X in the box next to them).

Scheduled Items - Limit

Item and Description (Year/Manufacturer/Model)	Limit of Insurance	Deductible Value	Valuation (ACV, RC, AV)	Age Restriction
Not Applicable				
<input checked="" type="checkbox"/> AS PER CERTIFICATES ON FILE WITH INSURER dated: September 1, 2016. The limit of insurance for any one item will not exceed the amount shown in the itemized list. The total Limit of covered equipment is shown: As per itemized list on file with the company – Deductible				AS PER CERTIFICATES ON FILE WITH INSURER AS PER CERTIFICATES ON FILE WITH INSURER
<input type="checkbox"/> Blanket coverage on equipment used in your business Limit Per Occurrence: Limit Per Item Blanket coverage – Deductible Valuation: Not Applicable Age Restriction: Not Applicable		Not Applicable		Not Applicable Not Applicable
<input checked="" type="checkbox"/> Equipment Leased or Rented to Others Items may be included in Scheduled Items or Itemized List on File Limit Per Occurrence: Limit Per Item Equipment Leased or Rented to Others – Deductible If a deductible is shown, no other deductible applies. Valuation: Not Applicable Age Restriction: Not Applicable				AS PER CERTIFICATES ON FILE WITH INSURER AS PER CERTIFICATES ON FILE WITH INSURER
<input type="checkbox"/> Blanket coverage on small tools used in your business Limit Per Occurrence: Limit Per Item Small Tools – Deductible		Not Applicable		Not Applicable Not Applicable



Commercial Inland Marine Declarations

	Valuation: Not Applicable	Age Restriction: Not Applicable	
[]	Blanket coverage on employee tools and work clothing		
	Limit Per Occurrence:		Not Applicable
	Limit Per Item		Not Applicable
	Limit Per Employee		Not Applicable
	Employee tools and work clothing – Deductible	Not Applicable	
	Valuation: Not Applicable	Age Restriction: Not Applicable	
[]	Blanket Coverage on Short-Term Equipment Leased, Borrowed or Rented From Others		
	Limit Per Occurrence:		Not Applicable
	Limit Per Item		Not Applicable
	Short-Term Equipment Leased, Borrowed or Rented From Others – Deductible	Not Applicable	
	Valuation: Not Applicable	Age Restriction: Not Applicable	
MAXIMUM PER OCCURRENCE LIMIT – ANY ONE LOSS			AS PER CERTIFICATES ON FILE WITH INSURER

Percentage Deductible

The following Percentage Deductible applies to all Covered Property or coverage(s) listed where PERCENTAGE is specified:
Not Applicable.

Coinsurance 90%

Applies to all Covered Property:

(1) except for categories excluded in Sec. F. 3. c. (Additional Conditions) of this Coverage Form.

Additional Coverage	Limit of Insurance
Arson and Crime Reward Payments	\$ 10,000
Data Restoration Expense	\$ 5,000
Debris Removal Additional Amount	25 %
Fire Department Service Charge and Extinguishing Expense	\$ 50,000
Loss Adjustment Expense	\$ 25,000
Maintenance Supplies, Spare Parts and Fuel	\$ 10,000
Recharge of Fire Protection Equipment	\$ 10,000

Coverage Extension

Equipment Loaned to Others	Not Included
Expediting Expense	\$ 25,000
Ice and Muskeg:	Not Included



Commercial Inland Marine Declarations

Per Occurrence	Not Covered
Per Item	Not Covered
Property Damage Deductible	Not Applicable
Minimum	Not Applicable
Maximum	Not Applicable
Newly Acquired Property:	Included
Per Occurrence	\$500,000
Per Item	\$100,000
Property Damage Deductible	1% min \$1,000
Pollutant Clean Up and Removal	\$ 10,000
Rental Reimbursement:	
Per Occurrence	\$ 2,500
Aggregate:	\$ 2,500
Waiting Period:	72 Hours
Unintentional Errors and Omissions	\$ 100,000
Waterborne Property in Transit	Not Included
Per Occurrence	Not Applicable
Per Item	Not Applicable
Property Damage Deductible	Not Applicable
Waterborne Property	Included
Per Occurrence	\$500,000
Per Item	\$100,000
Property Damage Deductible	1% min \$1,000
Weight of Load	Covered

Coverage Territory

Worldwide

Endorsements

- Contractors Equipment Enhancement Endorsement
- Locked Vehicle Warranty

CIM 01-000-2 CE 112009



Miscellaneous Property Declarations

Schedule of Property

Description of Property (year, make, model, serial number)

AS PER CERTIFICATES ON FILE WITH INSURER

Limit of Insurance

AS PER CERTIFICATES
ON FILE WITH INSURER

Catastrophe Limit in any one Occurrence

AS PER CERTIFICATES
ON FILE WITH INSURER

Blanket Property

Description of Property

1. Not Applicable

Limit of Insurance

Not Applicable

Coinsurance Percentage

80%

90%

100%

Coverage Territory

Worldwide

Deductible

Not Applicable

CIM 15-000-2 CE 112006

Endorsements

- Subsea Equipment and Below the Surface Equipment Endorsement

Common Policy Conditions

Policy Number:

Named Insured:

**Prospectors & Developers Association of Canada
(PDAC)**

MPR2345556

CONTRACT

All Coverage Forms included in this policy are subject to the following conditions except where these conditions are either modified or supplemented by the Coverage Forms, riders or endorsement(s) attached, or where this policy and its forms are in conflict with the Civil Code of the Province of Quebec. Where the terms and conditions of this policy and its forms attached are in conflict with the Civil Code, such terms and conditions are amended to conform to the Civil Code.

ALL THE TERMS AND CONDITIONS OF THIS POLICY SHALL BE IN FULL FORCE AND EFFECT AS OF THE EFFECTIVE DATE OF THIS POLICY.

VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

Throughout this policy the words "you" and "your" refer to the **insured** as defined directly below. The words "we", "us" and "our" refer to the Company providing this insurance.

The word **insured** means the Named Insured shown in the Declarations and any persons or organization qualifying as such, if any, under WHO IS AN INSURED within each Coverage Form, and all subsidiary and affiliated companies, entities, divisions, corporations, firms, joint ventures or other interests which exist now and in which you have 50% or more controlling interest.

Other words and phrases that appear in **bold** print, here and within each Coverage Form, have special meaning. Such words and phrases may be defined either in DEFINITIONS or elsewhere within the policy text.

A. STATUTORY CONDITIONS (APPLICABLE TO ALL PROVINCES EXCEPT THE PROVINCE OF QUEBEC)

The Statutory Conditions apply with respect to all perils insured by this Policy and to the liability coverage, where provided, except where these conditions may be modified or supplemented by riders or endorsements attached.

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

5. Termination

(1) This contract may be terminated,

(a) by the Insurer giving to the Insured fifteen days' notice of termination by registered mail or 5 days' written notice of termination personally delivered;

(b) by the Insured at any time on request.

Common Policy Conditions

- (2) When 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 of 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 the contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
 - (4) The refund may be made by money, postal or express company money order or cheque payable at par.
 - (5) The fifteen days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
6. Duties in the Event of Loss or Damage
- (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, 11,
 - (a) forthwith give notice thereof in writing to the Insurer;
 - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
 - (iii) stating that the loss did not occur through any willful act or neglect or 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) (vii) showing the place where the property insured was at the time of loss;
 - (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value,
 - (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
 - (2) The evidence furnished under clauses (c) and (d) of sub-paragraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.
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

Common Policy Conditions

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

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

- (1) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
- (2) In the event that 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 Provinces of Manitoba and Yukon Territory.

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 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.

N.B. To the extent that the Civil Code of the Province of Quebec is applicable to this contract the 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 is 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 may be modified or supplemented by riders or endorsements attached.

B. COMMON POLICY CONDITIONS



Common Policy Conditions

1. Representation of Risk, Misrepresentation, or Concealment

If you falsely describe the property, misrepresent or fraudulently omit to communicate any circumstance that would enable us to properly judge the risk to be undertaken, this contract is void to that property in the same relationship as the misrepresentation or omission is material.

You are bound to represent all the facts known which are likely to influence us in the setting of the premium, the appraisal of the risk or the decision to cover it, but are not bound to represent facts known to us or which from their notoriety we are presumed to know, except in answer to inquiries.

Any misrepresentation or concealment of relevant facts nullifies the contract as relates to liability assumed, even in respect to losses not connected with the risk misrepresented or concealed.

However unless your bad faith is established, or unless it is established we would not have covered the risk if we had known the true facts, we retain liability in the same proportion as the premium we collected bears to the premium we should have collected if all facts would have been known.

2. Changes

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

3 Termination

The first Named Insured may terminate this policy or any of its individual Coverage Forms at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

We may terminate this policy or any of its individual Coverage Forms at any time by sending to the first Named Insured a notice 90 days (15 days in the event of non-payment of premium) in advance of the termination date. Our notice of termination will be mailed to the first Named Insured's last known mailing address, and will indicate the date on which coverage is terminated. If notice of termination is mailed, proof of mailing will be sufficient proof of notice.

When you terminate this contract, we shall refund as soon as practicable, the excess premium paid over the short rate premium for the expired term, but in no event will the short rate premium for the expired time be deemed to be less than any minimum retained premium specified, if any, in the contract

When we terminate this contract, we shall refund the excess premium paid by you over the pro-rata premium for the expired time, but in no event will the pro-rata premium for the expired time be less than any minimum retained premium specified, if any, in the contract. The refund will accompany the notice unless the premium is subject to adjustment or determination as to the amount, in which case the refund will be made as soon as practicable.

The refund may be made by money, postal or express company money order or cheque payable at par.

4. When We Do Not Renew

If we decide not to renew this policy, or any coverage forming a part of this policy or any foreign policy that we have arranged for you in conjunction with this policy, we will mail to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy, at any time during the policy period and up to three years after the expiration of this policy. Any premium due for exposures that exist but were not reported will be determined by our audit. We will compute such premiums in accordance with our rules, rates and rating plans in effect as of the inception date of the policy.

6. Inspections, Surveys and Audits

We have the right but are not obligated to:

- make inspections and surveys at any time;

Common Policy Conditions

- give you reports on any conditions that we find; and
- recommend changes.

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

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

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

7. Inadvertent Non-Disclosure

Your unintentional failure to tell us about all exposures existing on the effective date of this contract for which coverage(s) may exist under this policy shall not be a reason by itself for us to deny coverage under this insurance.

8. Subrogation

If any person or organization to or for whom we make payment under any Coverage Form of this policy has rights to recover damages from another, then those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after **loss** to impair them. You may waive your rights against another party in writing only:

- prior to any known **loss, claim, suit, accident or occurrence** ; or
- after a known **loss, claim, accident or occurrence** if the other party is someone insured by this insurance or a business firm owned or controlled by you or which owns or controls you.

9. Canadian Currency Clause

All limits of insurance, premiums and other amounts expressed in this contract are in Canadian currency. In the event of a loss adjustment involving foreign currency, conversion into the currency of Canada will be at the free rate of exchange published by the Bank of Canada as of the date of the **loss** payment. If any part of or all of the adjustment is based on the cost of replacement or reconditioning, then the amount of settlement will be converted into the currency of Canada at the prevailing free rate of exchange published by the Bank of Canada at the time the cost of replacement or reconditioning is incurred.

10. Premiums

The first Named Insured shown in the Declarations:

- is responsible for the payment of all premiums; and
- will be the payee for any return premiums.

11. Bankruptcy

Your bankruptcy or insolvency of your estate will not relieve us of obligations under this insurance.

12. Local Coverage Warranty

In consideration of the premium for which this policy is written, it is a condition hereof that all local insurance will be maintained in full force and effect during the term of this policy and any renewal or replacement of such policies will not be more limited or restricted than the current limits and coverage, unless specific written approval is provided by us. In the event you fail to maintain such local insurance, this policy will apply as though such insurance were in force.

If we place such insurance, we will warrant terms and conditions of placed coverage.

13. Titles of Paragraphs

The titles of various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for the convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

14. Transfer of Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent except in the case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

15. Severability

Whenever possible, each provision of this policy will be interpreted in such manner and to such an extent as to be effective and valid under applicable law. If any provision of this policy or the application thereof to any party or circumstance shall, to any extent be or become invalid or unenforceable because of applicable law, the remainder of the policy or the application of such provision to parties or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

16. Abandonment

There can be no abandonment of any property to us .

17. No Benefit to Bailee

No person or organization, other than you, having custody of covered property, will benefit from this insurance.

C. COMMON COVERAGE CONDITIONS

1. Coverage Territory

This insurance applies to **occurrences** anywhere in the world, excluding territories prohibited by law or regulation of the country in which this policy is issued, subject to :

- the settlement, investigation and defence provisions of this contract will apply to **claims** made or **suits** brought anywhere in the world provided such **suit** emanates from **loss** caused by an **occurrence** or offence arising from your operations in the policy territory to which this insurance applies, as described above.
- in jurisdictions where we may be prevented by law or otherwise from paying on your behalf or defending you, we will:
 - pay you those sums you become legally obligated to pay as loss to which this insurance applies; and
 - pay the cost of defence and aid and/or manage your defence.

2. Non-Admitted Insurance

The insurance afforded by this policy is non-admitted insurance in many countries of the world. We are not responsible for any fines, taxes, or other penalties for non-admitted coverage if you have failed to obtain compulsory insurance for your local operations in any country. We are not responsible for providing any locally admitted bonds, certificates, or other evidence of insurance where this policy is non-admitted insurance.

With respect to any **claim** brought against you for liability to which this insurance applies:

- in jurisdictions where we may be prevented by law or otherwise from paying settlements on your behalf, investigating or defending **suits** brought against you, the provision of any coverage under this policy which provides payment on your behalf is amended to provide, we will indemnify for such settlement, investigation, defence or expense payments made with our written consent.
- In any case we elect not to investigate, settle or defend you under our supervision, and you make or cause to be made investigation, defence or settlement as may be reasonably necessary, subject to our prior authorization, we will reimburse you for the reasonable cost of such investigation, defence or settlement.

3. Other Insurance

In addition to the Other Insurance conditions contained in various Coverage Forms, the following

Common Policy Conditions

conditions are added:

- when you have insurance within any country against a **loss** that is also covered by this policy, this insurance will be excess only and reduced by and will not contribute to any local policies. However, if local valid and collectible insurance does not respond to a **loss** which is otherwise covered by this policy, then this insurance will be primary insurance and respond in accordance to the conditions herein.
- If we have issued more than one policy or Coverage Form that applies to the same **loss** to which this insurance applies, whether issued by us or by one of our subsidiaries, partners, or associates, then the total limit of insurance under all such policies or Coverage Forms shall not exceed the highest applicable limit under any one of those policies or Coverage Forms.

4. Language

If you have local insurance in any country with terms and conditions that are in conflict with this policy, the terms and conditions of this policy will govern any coverage provided by this policy.

5. Liberalization

If we adopt or make any changes :

- within 30 days prior to the effective date shown in the Declarations; or
- during the policy period,

which could broaden this insurance without an additional premium charge, you will automatically receive the benefit of the broadened coverage.

6. Nuclear Energy Liability

This insurance does not apply to:

- (1) Liability imposed by or arising under any Nuclear Liability Act and/or **nuclear energy hazard**;
- (2) **Bodily injury** or **property damage** with respect to which you under this coverage are also an **insured** under a contract of nuclear energy liability insurance (whether you are unnamed in such contract and whether or not it is legally enforceable by you) 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 termination upon exhaustion of its limit of liability;
- (3) **Bodily injury** or **property damage** resulting directly or indirectly from any **nuclear energy hazard** arising from:
 - (a) The ownership, maintenance, operation or use of **nuclear facility** by or on behalf of you;
 - (b) The furnishing by you of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**;
 - (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 useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by you;
 - (d) War or any warlike activity.
- (4) As used in this exclusion from coverage:
 - (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 that the Canadian Nuclear Safety Commission may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;

Common Policy Conditions

- (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 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;
 - (iv) 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.
- (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.

Commercial Property Coverage

Policy Number:

Named Insured:

Prospectors & Developers Association of Canada
(PDAC)

MPR2345556

VARIOUS PROVISIONS IN THIS COVERAGE FORM AND IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE FORM AND POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

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

Words and phrases that appear in **bold** print in this Coverage Form have special meaning as defined within this Coverage Form or elsewhere within the policy text.

A. COVERAGE

Insuring Agreement

We will pay for direct physical **loss** to your **Covered Property** caused by or resulting from any **Covered Cause of Loss** in accordance with the provisions of Section E. **Covered Causes of Loss**, occurring within the Coverage Territory and during the Policy Period. Where this insurance applies to **Covered Property** of more than one person or interest, we will indemnify all such persons and interests against the direct physical **loss** up to the specified limit or Limits of Insurance.

1. Covered Property

Covered Property, as used in this Coverage Form, means the following types of property described in this Section, A.1., and limited in A.2. Property Not Covered, for which a Limit of Insurance is shown on the Commercial Policy Declarations page:

- a. **Building**, meaning the building or structure described on the Commercial Policy Declarations page, including:
 - (1) Completed additions;
 - (2) Fixtures, including outdoor fixtures;
 - (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
 - (4) Personal property owned by you or personal property of others that is in your care, custody or control and is used to maintain or service the **building** or structure or its premises, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
 - (5) Building glass, including all lettering and ornamentation; we will also pay for necessary:
 - (a) Expenses incurred to put up temporary plates or to board up openings;
 - (b) Repair or replacement of encasing frames; and
 - (c) Expenses incurred to remove or replace obstructions;
 - (6) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the **building** or structure; and
 - (b) Materials, equipment, supplies and temporary structures, on or within 308 meters (1,000 feet) of the described premises, used for making additions, alterations or repairs to the **building** or structure.
 - (7) Appurtenant buildings and structures at the described premises; and
 - (8) Underground pipes, flues and drains
- b. Your **Business Personal Property** located in or on the **building** described on the Commercial Policy Declarations or in the open (or in a vehicle) within 308 meters (1,000 feet) of the described premises,. **Business Personal Property** means:
 - (1) Furniture and fixtures;
 - (2) Machinery and equipment;
 - (3) **Stock**;
 - (4) All other personal property owned by you and used in your business;

Commercial Property Coverage

- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in **improvements and betterments**;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others;
- (8) Your **leasehold interest** in **improvements and betterments** which are not damaged or destroyed, but which you lose because your lease is cancelled by the lessor as a result of damage to the **building** from a **Covered Cause of Loss**. When this occurs, we will calculate the value of your interest in the **improvements and betterments** as though they had been damaged or destroyed and not repaired or replaced promptly, as provided in the Valuation Loss Condition;
- (9) Building glass (including all lettering and ornamentation):
 - (a) Owned by others;
 - (b) In your care, custody or control; and
 - (c) Not otherwise provided for in the definition of **Covered Property** under your **Building** or Business Personal Property Coverages;
 - for which you have a contractual responsibility to insure;
- (10) Outdoor signs, antennae and towers not otherwise provided for in the definition of **Covered Property** under your **Building** or Business Personal Property coverages;
- (11) **Electronic data processing equipment**, including recording and storage **media** such as hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories, and your **stock** of pre-packaged software; and
- (12) Personal Property of Others that is:
 - (a) In your care, custody or control; and
 - (b) Located in or on the **building** described on the Commercial Property Declarations page or in the open (or in a vehicle) within 308 meters (1,000 feet) of the described premises.

However, our payment for **loss** to personal property of others will only be for the account of the owner of the property.

- c. **Property of Every Description (POED)** meaning **building(s)**, and **Business Personal Property** at a location described on the Commercial Property Declarations page.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, deeds, evidences of debt, **money**, notes, **securities**, or precious metals, except as otherwise provided in the Coverage Extensions;
- b. Animals, unless owned by others and boarded by you, or, if owned by you, only as **stock** while inside of **buildings**;
- c. Contraband or property in the course of illegal transportation or trade;
- d. Land (including land on which the property is located), growing crops, or lawns, as well as grain, hay, straw, or other crops located outside of **buildings**;
- e. Bulkheads, piers, wharves, bridges, docks, or tunnels unless **loss** is caused by fire, lightning, hail, explosion, riot or civil commotion, aircraft, **theft**, or attempted **theft**;
- f. Data;
- g. Property which is covered under another coverage form of this or any other policy except for the excess of the amount due (whether you can collect or not) from any other insurance;
- h. The cost to research, replace, or restore the information on **valuable papers and records**, **electronic media and records**, except as provided in the Coverage Extensions;
- i. **Vehicles** or self-propelled machines that:
 - i. Are licensed for use on public roads; or
 - ii. Are operated principally away from the described premises.

This subparagraph does not apply to:

- (a) **Vehicles** or self-propelled machines or autos you manufacture, process, or warehouse, but do not use;
- (b) **Vehicles** or self-propelled machines or autos that you hold for sale; or

Commercial Property Coverage

- (c) Rowboats or canoes out of water at **covered locations**;
 - j. Underground mines and property contained therein;
 - k. Outdoor trees, shrubs, plants or lawns except as provided for under the Coverage Extensions;
 - l. **Fine arts** except as provided for under the Coverage Extensions;
 - m. Property sold by you under a conditional sale or trust agreement or under any installment or **deferred payment** plan after delivery to the buyer, except as provided in the Coverage Extensions;
 - n. Sewers, drains, watermains, outside communication towers, antennae (including satellite receivers) and equipment located beyond the legal property line of the property described on the Commercial Property Declarations page; or
 - o. Any boiler, including the piping and equipment connected, which contains steam or water under steam pressure (except tanks) having an internal diameter of 610 millimeters (24 inches) or less used for the storage of hot water for domestic use, caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to:
 - i. Manually portable gas cylinders;
 - ii. Explosion of natural, coal or manufactured gas;
 - iii. Explosion of gas or unconsumed fuel within a furnace or within the gas passages.
3. Additional Coverages

Except as otherwise provided, the following Additional Coverages apply separately to each **covered location**.

a. Debris Removal

Your expense to remove debris of **Covered Property** caused by or resulting from a **Covered Cause of Loss** which occurs during the policy period. These expenses will only be paid if they are reported to us in writing within 180 days of the date of **loss**. The most we will pay under this Additional Coverage is 25 percent of the amount paid for direct physical **loss** plus the deductible.

But if the sum of **loss** and debris removal expense exceeds the Limit of Insurance, or the debris removal expense exceeds the amount payable under the 25 percent Debris Removal Additional Coverage, we will pay up to an additional \$25,000 for each location in any one **occurrence**.

This Additional Coverage does not apply to costs to extract **pollutants** from land or water or to remove, restore, or replace polluted land or water.

b. Pollution Clean-Up and Removal

Your expense to extract **pollutants** from land or water at the **covered location** if the release, discharge, or dispersal of the **pollutants** is caused by or results from a **specified cause of loss** that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the **specified cause of loss** occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of **pollutants**. But we will pay for testing which is performed in the course of extracting the **pollutants** from the land or water.

The most we will pay for each **covered location** under this Additional Coverage for the sum of all expenses during each separate 12 month period of this policy is \$25,000, unless another amount is shown for Pollution Clean-up and Removal on the Commercial Property Declarations page.

c. Preservation of Property

Any direct physical **loss** caused by or resulting from the **Covered Cause of Loss to Covered Property**, while it is being moved or while temporarily stored at a premises not described in the Declarations, if it is necessary to move the **Covered Property** from a **covered location** to preserve it from **loss** by a **Covered Cause of Loss**, and only if the **loss** occurs within 30 days after the property is first moved.

The most we will pay under this Additional Coverage is \$50,000 unless another amount is shown for Preservation of Property on the Commercial Property Declarations page.

d. Fire Department Service Charge

Fire Department or fire brigade service charges assumed by contract or agreement prior to

Commercial Property Coverage

loss or required by local ordinance, when the fire department or fire brigade is called to save or protect **Covered Property** from a **Covered Cause of Loss**.

The most we will pay under this Additional Coverage is \$25,000 unless another amount is shown for Fire Department Service Charge on the Commercial Property Declarations page. No deductible applies to this Additional Coverage.

e. Building By-Laws

The coverage provided under this Additional Coverage shall, without increasing the amount of insurance, and only as a result of a **Covered Cause of Loss**, extend to pay you for:

- i. direct physical **loss** occasioned by the demolition of any undamaged portion of the **building(s)** or structure(s);
- ii. cost of demolishing and clearing the site of any undamaged portion of the **building(s)** or structure(s); or
- iii. any increase in the cost of repairing, replacing, constructing, or reconstructing, the **building(s)** or structure(s) on a similar site or an adjacent site, of like height, floor area and style, and for like occupancy; arising from the enforcement of the minimum requirements of any by-law, regulation, or ordinance or law which:
 - a. regulates zoning or the demolition, repair or construction of damaged **building(s)** or structure(s); and
 - b. is in force at the time of such **loss**.

We will not pay for any costs associated with the enforcement of any ordinance or law which you were required to comply with, but did not, prior to the **loss**.

Insurance under this Additional Coverage applies only with respect to building by-laws or an ordinance or law that is in force at the time of **loss**.

Insurance under this Additional Coverage does not apply to:

- i. the enforcement of any by-law, regulation, ordinance or law which prohibits you from rebuilding or repairing on the same site or adjacent site or prohibits continuance of like occupancy;
- ii. direct or indirect **loss**, damage, cost or expense, arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of **pollutants**;
- iii. direct or indirect **loss**, damage, cost or expense, for any testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**.

f. Interruption of Service

We will pay for **loss to Covered Property** caused by or resulting from the interruption of service to the **covered location**. The interruption must result from direct physical **loss** by a **Covered Cause of Loss** to the following property, not at the **covered location**:

- i. Water Supply Services Property, meaning the following types of property supplying water to the **covered location**:
 - a. pumping stations; and
 - b. water mains.
- ii. Power Supply Services Property, meaning the following types of property supplying electricity, steam or gas to the **covered location**:
 - a. public or private utility generating plants;
 - b. switching stations;
 - c. substations;
 - d. transformers; and
 - e. transmission lines and/or distribution lines located or installed above and below ground or water.

The most we will pay for **loss** in any one **occurrence** under this Additional Coverage is a limit of \$100,000 unless another amount is shown for Interruption of Service on the Commercial Property Declarations page.

g. Coinsurance Deficiency

We will pay, up to a limit of \$25,000 unless another amount is shown for Coinsurance Deficiency on the Commercial Property Declarations page, for the **loss** which you sustain resulting from the application of a coinsurance or average clause forming part of any locally

Commercial Property Coverage

written, admitted primary insurance policy (other than this policy) effected by you.

If, after determination of the amount of **loss** under such local admitted primary insurance, you shall be unable to collect the same in full as the result of the application of a coinsurance or average clause, we will pay the difference between the amount recoverable under the local admitted primary insurance and the total amount of the **loss** subject to the limits of local admitted primary insurance. In no event shall coverage under this Additional Coverage be excess over the limits of local admitted policies.

4. Extensions of Coverage

This Insurance includes the Extensions of Coverage stated in 4.A. and 4.B., to the limits and any sublimits as stated herein or to the amended extension limits (if any) stated in the Declarations or in any Endorsement forming part of this policy. The **loss** covered by these extensions must have been caused by a **Covered Cause of Loss**.

The following extensions of coverage stated in 4.A. and 4.B. shall not be considered for the purpose of determining the application of the Coinsurance Clause.

4.A. Blanket Limit of Extensions of Coverage: \$500,000

This insurance extends to include the coverages stated in this clause 4.A., to the Blanket Limit of Extensions of Coverage shown above.

The Blanket Limit of Extensions of Coverage shall apply to one or any combination of the extensions of coverage in this clause 4.A. as apportioned at your option. This, however, shall not exceed the limit of \$500,000 in the aggregate in any one policy period. If, however, a specific limit is stated in the Commercial Property Declarations page for any of the extensions of coverage in this clause 4.A., then such extension of coverage is not included in the \$500,000 Blanket Limit of Extensions.

The extensions of coverage in this clause 4.A. shall not apply if these coverages are more specifically insured under another Coverage Form of, or Endorsement attached to, this policy.

a. Accounts Receivable

We will pay for each **loss** to your records of accounts receivable which is caused by a **Covered Cause of Loss**, as shown below:

- i. The amounts customers owe to you but you cannot collect because of direct physical **loss** to your accounts receivable records;
- ii. Extra collection costs you otherwise would not have incurred;
- iii. Interest charges on loans you have been required to obtain to offset amounts you are unable to collect pending our payment of these amounts; and
- iv. Reasonable costs of preparing new accounts receivable records to replace those lost or damaged.

If you cannot determine the amount of accounts receivable that are outstanding at the time of **loss**, we will determine the amounts as follows:

- i. We will adjust your monthly average of accounts receivable to reflect the percentage increase or decrease in monthly gross sales that occurred in the twelve months prior to the month of the **loss**.
- ii. We will further adjust the monthly average to reflect any way in which the month when the **loss** occurred was different from an average month. We will also consider the normal fluctuations in accounts receivable within that month.
- iii. Finally, we will deduct the amount of accounts receivable for which records were not lost or damaged; amounts you can prove by other evidence are owed to you, or amounts you are able to collect; the amount of bad debts you would not have been able to collect anyway; and the unearned interest and service charges on deferred accounts receivable payments.

We will never pay more than the lesser of the adjusted highest monthly amount of accounts receivable or the applicable limit shown on the Commercial Property Declarations Page.

If you recover any amounts of accounts receivable after we have paid you for a **loss**, you will pay them to us until we have been repaid. If you recover more than the amount we paid you, the excess over our payment is yours. Also, if we request your help, you must help us to collect amounts customers owe you.

b. Theft Damage to Unowned Building Property

(i) We will pay for damage to:

- a. That part of any building not owned by any insured under this Policy and which contains Your **Business Personal Property**; or
- b. Equipment not owned by any insured under this policy and which is within that building used to

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maintain or service the building;

caused directly by **theft** or attempted **theft**.

- (ii) This Coverage Extension is primary and applies only to premises where you are a tenant and are required in your lease to cover this exposure. This Coverage Extension does not apply to damage by fire or explosion.
- (iii) This Coverage Extension is included within the Limit of Insurance applicable to Your **Business Personal Property** at the location of loss, and does not increase that Limit of Insurance.

c. Extra Expense

We will pay for your **Extra Expense** for expenses over and above your ordinary business expenses, which are necessary to avoid or minimize the suspension of business and return to normal operation after a **Covered Cause of Loss** to a **covered location** or at a **dependent business location**.

Extra Expense coverage enables you to continue normal **operations** at a temporary location or with substitute equipment. However, you must make every reasonable effort to resume complete or partial **operations** as soon as possible. We will pay for your Extra Expense only for the **period of restoration**.

If property other than at your **covered location** is damaged by a **Covered Cause of Loss** and, as a result, a governmental agency prohibits you from using your **covered location**, we will pay your **extra expense** for up to 30 days or until the applicable limit of insurance is exhausted, whichever occurs first.

d. Fine Arts

We will pay for direct physical **loss** caused by or resulting from a **Covered Cause of Loss** to your **fine arts** or the **fine arts** of others in your care, custody, or control at a **covered location**. When a damaged **fine arts** article is part of a pair or set, you may choose one of the following methods of loss payment. We will pay you or the owner:

- (i) The actual cash value of the entire pair or set. You will turn over the remaining pieces to us; or
- (ii) The cost to repair the damaged pieces and you will keep the undamaged pieces. If the pair or set, with the repaired pieces, has a lower value than it had prior to the **loss**, we will also pay the amount of the difference in value. In no event will we pay more than the value the pair or set had prior to the **loss**; or
- (iii) The actual cash value of the lost or damaged pieces prior to the **loss** when the pieces cannot be found or repaired. You will keep the undamaged pieces. If the remaining pieces have a reduced value, we will pay the difference between the value of the remaining pieces prior to the **loss** and their value after the **loss**. In no event will we pay more than the value the pair or set had prior to the **loss**.

e. Fire Protection Equipment Recharge Expense

We will pay for the cost to recharge any fire protection equipment which has been discharged in an effort to protect your property at a **covered location** from **loss** due to a **Covered Cause of Loss**

You agree to keep any fire protection system under your control in good working order while this coverage is in effect. If you fail to maintain the system in good working order this Coverage Extension will be suspended until such time as the protection is restored to good working order. We will not pay the cost of recharging the fire protection system if discharge occurs during the installation, repair, or recharging of the system.

We will pay the cost to repair or replace damaged parts of the fire extinguishing equipment if the damage was caused by freezing.

f. Trees, Shrubs, Plants or Lawns

We will pay for direct physical **loss**, including expense to remove debris, to your outdoor trees, shrubs, plants or lawns (other than **stock** of trees, shrubs, plants or lawns) at the described premises.

g. Leasehold Interest

We will pay for loss of **Leasehold Interest** you sustain due to the cancellation of your lease. The cancellation must result from direct physical **loss** to **Covered Property** caused by or resulting from any **Covered Cause of Loss**.

Covered **Leasehold Interest** means the following:

- a. Tenants' Lease Interest, meaning the difference between the:

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- i. Rent you pay at the **Covered Location**; and
- ii. Rental value of the portion of the **Covered Location** you lease.
- h. Master Key Replacement
We will pay for the cost of repairing, replacing or reprogramming keys, locks and cards resulting from direct physical **loss** to **Covered Property** caused by a **Covered Cause of Loss** at the premises described on the Commercial Property Declarations page.
- i. Personal Effects
We will pay for the **personal effects** of any one person for direct physical **loss** caused by a **Covered Cause of Loss** to **personal effects** in your care, custody, or control belonging to anyone provided these items are at a **covered location** or while in transit in the ordinary course of your business. We will not cover **personal effects** if they are insured by the owner under any other insurance policy.
The deductible clause of this Coverage Form does not apply to **loss** payments under this Coverage Extension.
- j. Arson and Crime Reward Payments
 - (i) In the event of an arson, **theft** or vandalism **loss** to which the insurance provided by this Coverage Form applies, we will reimburse you for amounts you offer, and subsequently pay, as a reward to anyone, other than you or your officers, partners or directors, for information leading to:
 - (a) The arrest and conviction of any person(s) responsible for the arson, **theft** or vandalism **loss**; or
 - (b) The recovery of the stolen property.
 - (ii) No deductible applies to this Extension.

4.B. Coverage Extensions

The extensions of coverage in this clause 4.B only apply if the loss is not otherwise insured by this policy. The extensions of coverage in this clause 4. B. shall not apply if the coverage otherwise afforded by these extensions is more specifically insured elsewhere in this policy.

- a. Newly Acquired or Newly Constructed Property
 - 1. The insurance provided by this Coverage Form is extended to apply to direct physical **loss** by a **Covered Cause of Loss** to:
 - i. your new buildings or structures while being built at **covered locations**;
 - ii. buildings you acquire or lease at locations other than **covered locations** that are:
 - a. intended for similar use as the buildings at **covered locations**, or
 - b. a warehouse;
 - iii. buildings owned or controlled by an organization that you acquire or form (other than a joint venture) and in which you have a majority interest (greater than 50% equity interest); and
 - iv. **business personal property** and contents at any location you acquire or which is owned or controlled by any organization that you acquire or form (other than a joint venture) and in which you have a majority interest (greater than 50% equity share).
 - 2. Coverage under this Coverage Extension will end when any of the following first occurs:
 - i. This policy expires;
 - ii. 180 days after you acquire or begin to construct the property; or
 - iii. you report the newly acquired or newly constructed property to us.

We will charge you additional premium for values reported from the date construction begins or you acquire the **Covered Property**.
 - 3. The most we will pay for **loss** covered by this Coverage Extension is \$2,000,000 for buildings or structures and \$1,000,000 for business personal property during the policy term unless another limit is shown for Newly Acquired or Newly Constructed Property on the Commercial Property Declarations page.
 - 4. If **covered loss** to newly acquired or newly constructed property results from **Earth**

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Movement, Flood, or a **Named Storm** including but not limited to wind, wind driven rain, flood or hail, caused by or associated with a **Named Storm**, the most we will pay in any one **occurrence** at any newly acquired or newly constructed property under this extension is \$5,000 and the most we will pay for all **loss** sustained in any one policy year is \$25,000., regardless of the number of **occurrences of loss** or the number of premises or locations involved.

b. Electronic Data Processing

i. **Electronic Data Processing Equipment.** We will extend the insurance that applies to your **business personal property** up to the sub-limit shown for Electronic Data Processing Equipment in the Declarations page to apply to loss to your **electronic data processing equipment** and that of others in your care, custody or control at a **covered location** caused by or resulting from:

(a) artificially generated electrical current, including electric arcing that disturbs electrical devices, appliances, or wires; or

(b) mechanical breakdown and machinery breakdown, including malfunction or component failure.

ii. **Electronic Media and Records.** We will pay up to the sub-limit of \$100,000 unless another limit is shown for Electronic Media and Records on the Commercial Property Declarations page for the cost of research to replace or restore **electronic media and records** lost due to a Covered Cause of Loss.

We will not pay for **loss** due to accidental erasure of information on **electronic media and records** in the absence of physical damage to the **electronic media and records**.

iii. **Computer Virus.** We will also pay up to a sub-limit of \$2,500 for the expense incurred by you to extract **Computer Viruses** that become known to you during the policy period even though no direct loss has occurred. We will not pay more for all expenses incurred by you to extract Computer Viruses in any one Policy year than the Annual Aggregate limit of \$10,000.

You must report such **occurrence** within one hundred eighty (180) days of knowledge thereof for payment to be made under this clause.

iv. **Unauthorized Computer Access.** With respect to your information systems **operations**, we will pay up to a sub-limit of \$5,000 for:

(a) Accidental, intentional or malicious distortion, corruption, manipulation, erasure or loss by unauthorized persons of **Media, Data, Application Software, System Software or Source Code** owned or operated on your **Electronic Data Processing equipment**.

(b) **Theft** of any **Covered Property** (other than by your employee(s)) or willful acts causing loss to **Covered Property** by any person when such loss results from unauthorized use of your **Electronic Data Processing Equipment** including **Media, Data, Application Software, System Software or Source Code**. This provision does not apply to **Money** and **Securities** or any other property specifically excluded in this policy.

c. Rents

We will pay up to a sub-limit of \$25,000, unless another limit is shown for Rents on the Commercial Property Declarations page, for loss of rents, less non-continuing expenses, arising from direct physical **loss** or damage by a **Covered Cause of Loss** to property at a **covered location**.

Rents will be determined by calculating the sum of the following:

- i. gross income from the building;
- ii. the amount of all charges assumed by the tenants which would otherwise be your obligation (if not paid by tenants);
- iii. the rental value of the part of the building which you occupy;
- iv. the rental value of vacant parts of the building that would have been rented had no **loss** occurred; and
- v. any other income derived from the use of the building.

If property other than at your **covered location** is damaged by a **Covered Cause of Loss** and,

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as a result, a governmental agency prohibits you from using your **covered location**, we will also pay for your loss of rents, including expenses necessary to reduce the loss, for up to 30 days, but not to exceed the applicable limit of insurance shown for Rents on the Commercial Property Declarations page. In no event shall the total of these expenses exceed the amount by which the Rents **loss** is reduced by such expenses.

The amount of Rents and other income **loss** will be determined based on the Rents and other income of the building before the direct physical **loss** or damage occurred and the likely rents and other income of the building if no **loss** or damage occurred.

If you purchase business income insurance, there will be no **loss** of Rents Coverage under this Coverage Extension.

d. Bonus Payments

We will pay up to a sub-limit of \$ 5,000, unless another limit is shown for **Bonus Payments** on the Commercial Property Declarations page, in **Bonus Payments**, meaning the unamortized portion of a cash bonus that will not be refunded to you. A cash bonus is **money** you paid to acquire your lease. It does not include:

- i. Rent, whether or not prepaid; or
- ii. Security deposits.

e. Prepaid Rent

We will pay up to a sub-limit of \$10,000 unless another amount is shown for **Prepaid Rent** on the Commercial Property Declarations page for **Prepaid Rent**, meaning the unamortized portion of any amount of advance rent you paid that will not be refunded to you. This does not include the customary rent due at:

- i. The beginning of each month; or
- ii. Any other rental period.

f. Valuable Papers and Records (Other than **Electronic Data**)

We will pay up to a sub-limit of \$500,000, unless another limit is shown for Valuable Papers and Records on the Commercial Property Declarations page, for each **occurrence** that results in a **covered loss** to your **valuable papers and records** for the costs to research, replace or restore the lost information on lost or damaged **valuable papers and records**, including those that exist on electronic or magnetic **media** which are lost or damaged in any one **loss**, and for which duplicates do not exist.

This Coverage Extension does not apply to pre-packaged software programs or those items for which coverage is provided under the **Electronic Data Processing**, Coverage Extension.

g. Royalties

We will pay up to a sub-limit of \$50,000, unless another limit is shown for Royalties on the Commercial Properties Declarations page, for the actual loss of **royalties**, commissions or similar fees you sustain resulting from direct physical **loss** to property of another not insured under this policy and with whom you have a royalty, licensing or commission agreement, if that **loss** is caused by a **Covered Cause of Loss**.

h. Brands, Labels and Trademarks

In the event of direct physical **loss** to covered **stock** bearing a brand or trademark or which in any way carries or implies your guarantee or responsibility, the salvage value of such damaged property will be determined after removal in the customary manner of all such brands or trademarks or other identifying characteristics. You will have full right to possession of all goods damaged in any covered event under this policy and will retain control of all damaged goods. Exercising reasonable discretion, you will be the sole judge as to whether the goods involved in any loss under this policy are fit for commerce and no goods so deemed by you to be unfit for commerce will be sold or otherwise disposed of except by you or with your consent. You will allow us to deduct from the amount of loss otherwise payable any salvage actually obtained on any sale or other disposition of such goods.

We will pay up to a sub-limit of \$50,000, unless another limit is shown for Brands, Labels and Trademarks on the Commercial Property Declarations page, for the reasonable costs incurred in the removal of such brands, trademarks or identifying characteristics.

i. Deferred Payments

We will pay up to a sub-limit of \$25,000, unless another limit is shown for Deferred Payments on the Commercial Property Declarations page, for **deferred payments** for **loss** which occurs as the result of the total or partial **loss** of property by a **Covered Cause of Loss** which you have sold to others and have not been paid.

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- i. When a total **loss** of the sold property occurs, the amount of the **deferred payments loss** shall be the amount shown on your books of account as due from the buyer.
- ii. When a partial **loss** of the sold property occurs and the buyer refuses to continue payment, forcing you to repossess the property, the amount of **deferred payments loss** should be computed as follows:
 - a. If the realized value of the repossessed property is greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
 - b. If the realized value of the repossessed property is less than the amount shown on your books as due from the buyer, we will pay the difference.
- iii. When a **loss** occurs and the buyer continues to pay you, there will be no **loss** payment.
- j. Inventory or Appraisal
We will pay up to the sub-limit of \$50,000, unless another limit is shown for Inventory or Appraisal on the Commercial Property Declarations page, for the reasonable expenses incurred by you, at our request, to assist us in the determination of the amount of loss, such as taking inventory or obtaining appraisals.
No deductible applies to this Coverage Extension.
- k. Water Damage, Other Liquids, Powder or Molten Material Damage
If **loss** or damage caused by or resulting from covered water or other liquid, powder, or molten material, we will pay the cost, up to the sub-limit of \$ 25,000 unless another limit is shown for Water Damage, Other Liquids, Powder or Molten Material Damage on the Commercial Property Declarations page, to tear out and replace any part of the **building** or structure in order to repair damage to the system or appliance from which the water or other substance escapes.
We will not pay the cost to repair any defect that caused the **loss**, unless the defect itself was caused by a **Covered Cause of Loss**.
- l. Property at Unnamed Locations
We will pay up to the sub-limit of \$50,000, unless another amount is shown for Property at Unnamed Locations on the Commercial Property Declarations page, for loss or damage from a **Covered Cause of Loss** to your **Business Personal Property** at a location that you own, lease or operate, but is not stated on the Declarations page.
This Extension does not apply to **Covered Property** that will or has become a permanent part of an installation, fabrication or erection project being performed by you, or on your behalf, while at the project location.
However, for this Coverage Extension, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and **Flood**, even if they are otherwise Covered Causes of **Loss**. Also, none of the Additional Coverages or other Coverage Extensions included in this Coverage Form applies to the coverage extended to an unnamed location.
If **covered loss** to Property at Unnamed Locations results from a **Named Storm** including but not limited to wind, wind driven rain, **flood** or hail, caused by or associated with a **Named Storm**, the most we will pay in any one **occurrence** at any one unnamed location under this extension is \$5,000 and the most we will pay for all loss or damage sustained in any one policy year is \$25,000, regardless of the number of **occurrences** of loss or damage or the number of premises or locations involved.
- m. Money and Securities
 - (1) You may extend the insurance provided by this Coverage Form to apply to loss of **money** and **securities**:
 - (a) At the described premises or the premises of a bank or savings institution; or
 - (b) At any other location, or in transit, in your care and custody or the care and custody of your partners, your **employees** or an armored motor vehicle company;

resulting directly from **theft**, disappearance or destruction.
 - (2) We will not pay for loss under this Coverage Extension caused by or resulting from:
 - (a) Any of the following:
 - (i) Governmental Action;
 - (ii) Nuclear Hazard; or
 - (iii) **War** and Military Action;

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- (b) Dishonest or criminal act by you, any of your partners, members, officers, managers, **employees**, directors, trustees, authorized representatives or anyone to whom you entrust the property, other than an armored motor vehicle company:
 - (i) Acting alone or in collusion with others; or
 - (ii) Whether or not occurring during the hours of employment;
- (c) Accounting or arithmetical errors or omissions;
- (d) The giving or surrendering of the property in any exchange or purchase;
- (e) Voluntary parting with possession of or title to the property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense; or
- (f) Transfer or surrender of the property to a person or place outside the described premises or the premises of a banking or savings institution on the basis of unauthorized instructions.

In addition, we will not pay for loss of **money** contained in any **money** operated device unless the amount of **money** deposited in it is recorded by a continuous recording instrument in the device.

No other exclusions in this policy apply to this Coverage Extension.

- (3) The most we will pay in any one **occurrence** under this Extension for loss of **money** and **securities**:
 - (a) Inside the described premises or the premises of a bank or savings institution is \$25,000 for **Money** and **Securities** – Inside Premises;
 - (b) At any other location, or in transit, is \$25,000 for **Money** and **Securities** – Outside Premises.
 - (c) If higher limits are required, you may obtain a separate Crime Coverage Form from us. If we have issued a separate Crime Coverage Form to you, this Coverage Extension will not apply.

Under this Coverage Extension, all loss caused by one or more persons, or involving a single act or a series of related acts, is considered one **occurrence**.

n. Property Off-Premises

- (1) Property At Temporary Locations including Exhibitions.

You may extend the insurance provided by this Coverage Form to apply to **Covered Property** while it is away from the described premises, if it is:

 - (a) Temporarily at a location you do not own, lease or operate, including **Covered Property**:
 - (i) In the care, custody or control of a salesperson; or
 - (ii) At any fair or exhibition.
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term.

This Extension does not apply to **Covered Property** in the course of transit.

The most we will pay for loss or damage in any one **occurrence** under this Coverage Extension is \$50,000, unless another limit is shown for Property at Temporary Locations on the Commercial Property Declarations page.

- (2) Business Personal Property in Transit
 - (a) You may extend the insurance provided by this Coverage Form to apply to **Covered Property** in the course of transit more than 1,000 feet from the described premises.

This Coverage Extension includes coverage for loss or damage to **Covered Property** in transit:

- (i) For your interest in loss or damage for property shipped Free On Board (FOB), if loss or damage cannot be collected from the consignee;
- (ii) For refused or undelivered property while it is being returned to you but is being held temporarily by a receiver or carrier;
- (iii) While in the custody of a packing or consolidating company;

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- (iv) Which you or your agent, customer or consignee voluntarily part with to persons falsely representing themselves, including acceptance of fraudulent bills of lading or shipping receipts.
- (b) This Extension does not apply to:
 - (i) Property shipped by mail;
 - (ii) Property while waterborne, except in regular ferry operations in the course of being moved by other means of transportation, and then to include General Average and Salvage Charges for which you may become liable;
 - (iii) Import or export shipments once under the protection of marine insurance; or
 - (iv) Property sold by you under conditional sale, trust agreement, or installment payment after delivery to customers.
- (c) The most we will pay for loss or damage in any one **occurrence** under this Coverage Extension is \$50,000, unless another limit is shown for Business Personal Property in Transit on the Commercial Property Declarations page.
- (d) The SUBROGATION Common Policy Condition does not apply to the insurance provided under this Extension other than for the coverage for loss or damage described under Paragraphs (i) through (iv) under Paragraph (2)(a) above.

With respect to property in the due course of transit, nothing must be done either prior to or after a loss to impair our rights of recovery against any carrier, bailee or other party responsible for damages. This Coverage Part will be void with respect to the insurance provided for property in the due course of transit if you or anyone else to or for whom we would have made payment does anything to impair these rights. But our right to retain or recover premium will not be affected. In addition, we will not pay for any loss or damage to property in the due course of transit which you settle or compromise without our written consent. But you may accept released bills of lading from **common carriers**.

- (3) Installation Coverage
 - (a) You may extend the insurance that applies to Your **Business Personal Property** and Personal Property of Others to apply to **Business Personal Property** that will or has become a permanent part of an installation, fabrication or erection project being performed for others by you, or on your behalf, while such property is:
 - (i) At a job site awaiting and during installation, fabrication, erection or testing, and awaiting acceptance by the purchaser; or
 - (ii) Temporarily stored at a location other than the described premises or the job site.
 - (b) This Extension does not apply to loss or damage to property at a location owned by you, or to property in the course of transit.
 - (c) The most we will pay for loss or damage in any one **occurrence** under this Coverage Extension is \$50,000. If a higher limit is required, you may obtain a separate Installation Coverage Form from us. If we have issued a separate Installation Coverage Form to you, this Coverage Extension will not apply.
 - (d) Insurance under this Coverage Extension will end when any of the following first occurs:
 - (i) This policy expires;
 - (ii) Your interest in the property ceases;
 - (iii) The installation, fabrication or erection project is accepted by the purchaser as complete; or
 - (iv) You abandon the installation, fabrication or erection project with no intention to complete it.
- o. Employee Theft

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- (1) We will pay for **loss** of and **loss** from damage to Covered Property resulting directly from the Covered Cause of Loss.
- a. **Covered Property**
Money, securities, and property other than **money** and **securities**.
- b. **Covered Cause of Loss**
Employee dishonesty
 - (2) **LIMIT OF INSURANCE**
The most we will pay for **loss or damage due to employee dishonesty** in any one **occurrence** is \$25,000. If a higher crime limit is required, you may obtain a separate Crime Coverage Form from us. If we have issued a separate Crime Coverage Form to you, this coverage extension will not apply.
 - (3) We will not pay for:
 - a. Employee Cancelled Under Prior Insurance
Loss caused by any **employee** for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
 - b. **Loss**, or that part of any **loss**, the proof of which as to its existence or amount is dependent upon:
 - (1) An inventory computation; or
 - (2) A profit and loss computation.However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
 - (4) This insurance is cancelled as to any **employee**:
 - a. Immediately upon discovery by:
 - (1) You; or
 - (2) Any of your partners, officers or directors not in collusion with the **employee**; of any dishonest act committed by that **employee** whether before or after becoming employed by you.
 - b. On the date specified in a notice mailed to you. That date will be at least **30** days after the date of mailing.
The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.
 - (5) **Additional Definitions**
Employee Dishonesty means only dishonest acts committed by an **employee**, whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:
 - (1) Cause you to sustain loss; and also
 - (2) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - (a) The **employee**;
 - (b) Any person or organization intended by the **employee** to receive that benefit.**Occurrence** means all loss caused by, or involving, one or more **employees**, whether the result of a single act or series of acts, and whether the loss involves one or more instruments or documents.
All loss or damage:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;is considered one occurrence
- p. Laptop or Handheld Computers and Similar Portable Electronic Equipment

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We will pay up to a sub-limit of \$10,000 for direct physical **loss** caused by a **Covered Cause of Loss** to your laptop or handheld computers, similar portable electronic equipment and accessories, all while in your, your **employees** or salespersons care, custody or control while away from premises described on the Commercial Property Declarations page.

We will not pay for loss caused by or resulting from the following:

- (1) **Theft** from any unattended vehicle, unless at the time of the **theft** the windows, doors and fully enclosed body or compartments of such **vehicles** were closed and locked and the **theft** results from forcible entry, as evidenced by visible marks or if the entire vehicle has been stolen.
 - (2) Voluntary parting with the property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretence.
- q. Peak Season
- Where there has been direct physical **loss** to **stock** from a **Covered Cause of Loss** at premises described on the Commercial Property Declarations page, we will pay up to 25% increase in replacement cost due to seasonal fluctuations in the declared amount of **stock**. Coverage will only apply if the limit of insurance for contents at the affected premises is equal to at least one hundred percent (100%) of the average monthly values for contents at those premises for the twelve (12) months immediately preceding the date of loss, or in the event that you have been in business less than twelve (12) months, for such shorter period of time.
- r. Loss Adjustment Expense
- We will pay up to a sub-limit of \$10,000, unless another amount is shown for Loss Adjustment Expense on the Commercial Property Declarations page, for the reasonable expenses you incur in preparing claim data when requested by us. This includes the cost of taking inventories, obtaining appraisals and preparing other documentation to show the extent of the **loss**. We will not pay for any expenses incurred, directed or billed by or payable to attorneys, public adjusters, insurance brokers or agents or their associates or subsidiaries, or any costs as provided in Clause 11, Appraisals of the Statutory Conditions attached to this policy.
- s. Unintentional Errors and Omissions
- We will pay up to a sub-limit of \$100,000 unless another amount is shown for Unintentional Errors and Omissions on the Commercial Property Declarations page for the unintentional or inadvertent error, omission, incorrect valuation or incorrect description of the interest, risk or property, provided notice is given to us as soon as practicable upon discovery of any such error, omission, incorrect valuation or incorrect description. The Limit of Insurance shall not be increased as a result of this coverage extension.
- Each of these Coverage Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Coverage Extensions.

B. LIMITS OF INSURANCE

1. The most we will pay for **loss** to **Covered Property** in any one **occurrence** is the applicable Limit of Insurance shown on the Commercial Property Declarations Page, or the applicable sublimit.
2. Unless stated otherwise in this Coverage Form or in an Endorsement to this Coverage Form, any sublimits will not increase the applicable Limits of Insurance for the premises described on the Commercial Property Declarations Page.
3. Notwithstanding Clause B.1., the sublimits applicable to:
 - a. Additional Coverages (Clause A.3.);
 - b. Blanket Limit of Coverage (Clause A.4.A.); and
 - c. Extensions (Coverage A.4.B.)are in addition to the applicable Limit of Insurance for the premises described on the Commercial Property Declarations Page, except for the following which do not increase the applicable limit of insurance:
 - i. 25% debris removal limitation in the Debris Removal Additional Coverage;
 - ii. Preservation of Property Additional Coverage;
 - iii. Fire Department Service Charge Additional Coverage;
 - iv. Interruption of Services Additional Coverage; and
 - v. Unintentional Errors and Omissions.
4. For any one **occurrence** the most we will pay under all of the Coverage Extensions and Additional Coverages is the applicable limit shown on the Commercial Property Declarations page.

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5. If a Loss Limit is shown on the Commercial Property Declarations Page, this is the maximum limit of loss that we will pay in any one **occurrence** whether the policy is written on a scheduled limits basis or on a blanket limits basis.
6. Any aggregate limit referenced in this Coverage Form constitutes the most that we will pay in any one policy year, regardless of the number of occurrences.

C. DEDUCTIBLE

We will not pay for **loss** in any one **occurrence** until the amount of the **loss** exceeds the deductible amount shown on the Commercial Property Declarations Page. We will pay the amount of **loss** in excess of this amount up to the applicable Limit(s) of Insurance or the applicable sublimit provided by this Coverage Form.

When the **occurrence** involves **loss** to more than one item of **Covered Property** and separate limits of insurance apply, the **losses** will not be combined in determining application of the Deductible. But the Deductible will be applied only once per **occurrence**.

In the event more than one deductible amount could apply to the **loss**, only the highest deductible amount will be applied.

D. CONDITIONS

The following conditions apply to all insurance provided by this Coverage Form.

1. Notice to Authorities

Where the **loss** is due to malicious acts, burglary, robbery, **theft** or attempt thereof, or is suspected to be so due, you will give immediate notice to the police or other authorities having jurisdiction.

2. No Benefit to Bailee

You warrant that this insurance will not enure directly or indirectly to the benefit of any carrier or other bailee.

3. Pair and Set

Subject to A.4.A.d of this policy, in the case of **loss** to each such article or articles, whether scheduled or unscheduled, which are a part of a set, the measure of **loss** will be a reasonable and fair proportion of the total value of the set, but in no event will **loss** be construed to mean total **loss** of set.

4. Parts

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

5. Sue and Labor

It is your duty, in the event that any **Covered Property** is lost, to take all reasonable steps in the recovery of such property. We shall contribute pro rata towards any reasonable and proper expenses in connection with the **loss** according to the respective interests of the parties.

6. Basis of Settlement

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

7. Coinsurance

a. Stated Amount

- (i) This clause D.7.a. applies where a statement of values filed and attested by you has been filed with us in connection with this policy. In such circumstances, the following paragraph (ii) is substituted for the Co-insurance (Percentage) clause below.
- (ii) It is part of the consideration of this Policy, and the basis upon which the rate of premium is fixed, that you will maintain insurance by, or concurrent in form, range and wording with this Policy on **Covered Property** insured herein, so that the total amount of insurance on the **Covered Property** will not be less than the amount stated in the Statement of Values (including the amount of insurance effected by this policy), and that, failing to do so, you will

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be a Coinsurer to the extent of an amount sufficient to make the total insurance on the **Covered Property** equal to the amount indicated in the Declarations page and, in that capacity, will bear your proportion of any loss that may occur.

- (iii) If the terms and conditions of this Stated Amount Coinsurance agreement cease to be in effect, the terms and conditions of the Co-insurance (Percentage) clause cited in the policy will apply unless otherwise shown on the Commercial Property Declarations page.
- b. Co-Insurance (Percentage)

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

You will maintain insurance concurrent with this form on your **Covered Property** (in accordance with the valuation prescribed in the Basis of Settlement Clause) and failing to do so, you will be a Co-insurer to an extent of an amount sufficient to make the aggregate insurance equal to ninety percent (90%) of the value of each and every item of **Covered Property** insured and will only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.
- c. In determining the value of **Covered Property**, we will not include the value of property below the surface of the lowest basement floor, or, if there is no basement, below the surface of the ground. When a Limit of Insurance is shown in the Declarations for property at undesignated premises, the total value of **Covered Property** at all undesignated premises will be included in the value of **Covered Property**.
- d. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

8. Control of Property

Any act or neglect of any person beyond your direction or control will not affect this insurance.

If you violate a condition of this Coverage Form, we will not pay for **loss** at the involved location. Your coverage will continue for other locations at which the violation does not apply.

9. Duties in the Event of Loss or Damage

In the event of loss that may be covered under this Coverage Form and in addition to the requirements specified in the policy, including the Statutory Conditions and the Common Policy Conditions attached to this policy, you agree to comply with the following provisions:

- a. Take all reasonable steps to protect the **Covered Property** from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency or temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
- b. Notify law enforcement authorities within the jurisdiction promptly if a law may have been broken.
- c. Give us notice of the **loss** as soon as possible and give us a description of how, when, and where the **loss** occurred.
- d. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
- e. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also, permit us to take samples of damaged property for inspection, testing, and analysis and permit us to make copies of your books and records.
- f. If requested, permit us to examine you under oath and examine your books or records at such times as may be reasonably required about any matter relating to this insurance or your claim.
- g. Send us a signed, sworn statement of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- h. Cooperate with us in the investigation or settlement of the claim.
- i. Make no statement that will assume any obligation or admit any liability for any loss for which we may be liable without our prior written consent.

10. Loss Payment

- a. In the event of **loss** covered by this Coverage Form, at our option we will either:
 - i. Pay the value of lost or damaged property;

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- ii. Pay the cost of repairing or replacing the lost or damaged property;
 - iii. Take all or any part of the property at an agreed or appraised value; or
 - iv. Repair, rebuild, or replace the property with other property of like kind and quality.
- b. We will give notice of our intentions within thirty (30) days after we receive the sworn statement of loss.
- c. We will not pay you more than your financial interest in the **Covered Property**.
- d. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the **Covered Property**.
- e. At our discretion we may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- f. We will pay for covered **loss** within thirty (30) days after we receive the sworn statement of loss, provided we do not deny the claim for **loss** and you have complied with all of the terms of this Coverage Form; and
- i. We have reached agreement with you on the amount of **loss**; or
 - ii. An appraisal award has been made.

11. Recovered Property

If either you or we recover any property after **loss** settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property which was recovered. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

12. Vacancy

- a. Description of Terms
- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:
 - (a) When this policy is issued to a tenant, and with respect to that tenant's interest in **Covered Property**, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary **operations**.
 - (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
 - (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary **operations**; and/or
 - (ii) Used by the building owner to conduct customary **operations**.
 - (2) Buildings under construction or renovation are not considered vacant.
- b. Vacancy Provisions
- If the **building** or structure where **loss** occurs has been vacant for more than **ninety (90)** consecutive days before the **loss**,
- (1) We will not pay for any **loss** by any of the following even if they are **Covered Causes of Loss**:
 - (a) Vandalism;
 - (b) Sprinkler leakage, unless you have protected the system against freezing;
 - (c) Building glass breakage;
 - (d) Water damage;
 - (e) **Theft**; or
 - (f) Attempted **theft**.
 - (2) With respect to **Covered Causes of Loss** other than those listed in 12.b.(1)(a) through 12.b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

13. Valuation

We will determine the value of **Covered Property** in the event of loss or damage as follows:

- a. Except as provided in **b., c., d., e., f., g., h., i., j., k., l., and m.** below, all property will be valued at replacement cost (without deduction for depreciation) as of the time of loss or damage, subject to the following:
 - (1) You may make a claim for loss or damage covered by this insurance on an actual cash value

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basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.

- (2) We will not pay on a replacement cost basis for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

But this condition does not apply to damaged building property when the cost of repair or replacement of the property is \$10,000 or less.

- (3) Subject to (4) below, we will not pay more for loss or damage on a replacement cost basis than the least of the following amounts:
 - (a) The Limit of Insurance applicable to the lost or damaged property;
 - (b) The cost to replace the lost or damaged property with other property:
 - (i) Of comparable material and quality; and
 - (ii) Used for the same purpose; or
 - (c) The amount actually spent that is necessary to repair or replace the lost or damaged property.
- (4) The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property, except as specifically provided under the Building By-Laws Additional Coverage.
- (5) With respect to replacement cost on personal property of others, the following limitation applies:
 - If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.
- (6) With respect to Your **Business Personal Property** and Personal Property of Others, the cost of repair or replacement includes the value of the remaining term of maintenance agreements, service agreements or extended warranties which:
 - (a) Were obtained at your expense;
 - (b) Are non-refundable; and
 - (c) Are not applicable with respect to the repaired or replaced personal property.

The value of the unexpired term will be determined by multiplying the original cost of the maintenance agreement, service agreement or extended warranty by the proportion that the unexpired term of the agreement or warranty bears to the total term of the agreement or warranty.

- b. The following categories of property will be valued at actual cash value as of the time of loss or damage:
 - (1) Contents of a residence; and
 - (2) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac.
- c. Labor, materials and services that you furnish or arrange on personal property of others will be valued based on the actual cost of the labor, materials and services.
- d. **Raw Stock**, supplies and other **Merchandise** not manufactured by you will be valued at **replacement cost**.
- e. **Goods in Process** will be valued at the value of raw materials and labor expended plus the proper proportion of overhead charges.
- f. **Stock** you have sold but not delivered will be valued at the selling price less discounts and expenses you otherwise would have had.
- g. Unsold **finished stock** you manufacture will be valued at the price the goods could have been sold on the day of the **loss** had no **loss** occurred, less discounts and expenses you otherwise would have had.
- h. Exposed film, records, manuscripts and drawings will be valued at the value of blank plus the cost of copying information from backup or from originals of a previous generation, but this policy does not insure any other cost, including research, engineering or other cost, of restoring or re-creating information lost;
Data, programs or any other software stored on electronic, electromagnetic data processing or

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production equipment will be valued at the cost of transferring such from backup or from originals of a previous generation, but this policy does not insure any other cost, including research, engineering or other cost of restoring or re-creating information lost; Other documents not specifically excluded or addressed above will not exceed the value blank plus cost of reproducing; but no liability is assumed hereunder for the cost of gathering or assembling information or **Data** for such reproduction.

- i. **Electronic Data Processing Equipment**
If leased property, then the value will be based on the amount for which you are liable under contract.
If not leased property, the value will be based on the least of the following:
 - (1) If not under warranty or service contract, the cost to repair;
 - (2) If under warranty or service contract, the cost to repair plus the minimum cost to reinstate such warranty or service contract;
 - (3) The actual expenditure incurred in repairing or replacing the damaged property;
 - (4) The cost to replace with functionality equivalent property.
- j. Glass will be valued at the cost of replacement with safety glazing material if required by law.
- k. Tenants Improvements and Betterments will be valued at:
 - (1) Replacement cost of the lost or damaged property (subject to the provisions of paragraph **a.** above) if you repair or replace promptly;
 - (2) A proportion of your original cost if you do not repair or replace promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the **loss** or damage to the expiration of the lease; and
 - (b) Divide the amount determined in **(a)** above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (3) Nothing if others pay for repairs or replacement.
- l. Property in the due course of transit will be valued as follows:
 - (1) If there is a shipper's invoice, the property will be valued at the amount shown on the invoice including any prepaid or advance freight as well as any costs or charges which have accrued or become legally due since the shipment commenced.
 - (2) If there is no invoice, the property will be valued at replacement cost (subject to the provisions of paragraph **a.** above) at the point of destination on the date of the loss, less any charges saved which would have been due and payable upon delivery at the destination.
- m. **Money** will be valued only up to and including its face value.
Securities will be valued only up to and including their value at the close of business on the day the **loss** was discovered.

For purposes of this Valuation section:

The term **replacement cost** as used here means the cost to repair or replace lost or damaged property with property of comparable material and quality on the same or another site, and used for the same purpose, without deduction for depreciation, deterioration, and obsolescence.

The term **actual cash value** as used here means the replacement cost with deduction for depreciation, deterioration and obsolescence.

All the above to be computed as of the time and at the place of loss insured against by this policy. The above valuation shall also be used for computing the premium due under this policy.

14. STANDARD MORTGAGE CLAUSE

(APPROVED BY THE INSURANCE BUREAU OF CANADA)

It is hereby provided and agreed that:

- A. **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(s) (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increase of hazard **that shall come to his knowledge**; and that every increase of hazard (not permitted by the policy) shall be paid

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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.

- B. Right of Subrogation** – Whenever the Insurer(s) pay 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(s), or the Insurer(s) 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.
- C. 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.
- D. 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.
- E. *Termination** – The term of this mortgage clause coincides with the term of the Policy: Provided always that the Insurer(s) reserve the right to cancel the policy as provided by Statutory provision but agree that the Insurer(s) will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.
- F. **Termination** – The term of this mortgage clause coincides with the term of the Policy: Provided always that the Insurer(s) reserves the right to cancel the policy as provided by Articles 2567 and 2568 of the **Civil Code of the Province of Quebec**, but agrees that the Insurer(s) will neither terminate nor alter the policy to the prejudice of the Mortgagee without fifteen (15) days notice to the Mortgagee by registered letter.
- G. 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 said Mortgagee and/or assigns. Subject to the terms of this mortgage clause (and these shall supersede any policy provisions in conflict therewith but only as to the interest of the mortgagee), **loss** under this Policy is made payable to the Mortgagee.
*Termination Clause applicable to All Provinces except Quebec
**Termination Clause applicable to the Province of Quebec

15. Property Protection Systems

It is agreed that you shall notify us immediately of any interruption to, or flaw or defect, coming to the knowledge of you or your **employees**, in any:

- a. primary or back-up sprinkler or other fire extinguishing system;
- b. fire detection system;
- c. intrusion detection system; or
- d. any protection system designed to protect against change in temperature and/or humidity.

You shall also notify us immediately of the cancellation or non-renewal of any contract which provides monitoring and/or maintenance services to any of these systems or of the notification of the suspension of police, fire, or independent security and/or detection/monitoring services in response to any of these systems.

E. COVERED CAUSES OF LOSS

Covered Causes of Loss means risks of direct physical **loss** from external causes unless the **loss** is:

- i. Excluded under this Coverage Form;
- ii. Limited in Section G., Limitations; which follow; or
- iii. Excluded or limited in any option or endorsement modifying the exclusions or limitations in this Coverage Form.

F. EXCLUSIONS

1. We will not pay for **loss** caused directly or indirectly by any of the following. Such **loss** is excluded



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regardless of (a) the cause of the excluded event; or (b) other causes of the loss; or (c) any other causes or events, whether or not insured under this policy, which may have contributed concurrently or in any sequence with the excluded event to produce the **loss**; or (d) whether the event occurred suddenly or gradually, involved isolated or widespread damage, arose from natural or external forces, or occurred as a result of any combination of any of the following:

a. **Government Action**

Loss resulting from seizure or destruction of property by order of government authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this policy.

b. **Utility Failure**

The failure of power or other utility service supplied to any premises, however caused, if the failure occurs away from the premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for that resulting loss or damage.

This exclusion does not apply to the extent coverage is provided under Interruption of Services Additional Coverage.

c. **War and Military Action**

War, invasion, act of foreign enemy, hostilities or warlike **operations** (whether **war** be declared or not), civil war.

Mutiny, civil commotion assuming the proportions of or amounting to a popular uprising, military uprising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

Seizure or destruction under quarantine or customs regulation, commandeering, confiscation, or expropriation.

d. **Nuclear Hazard**

- (i) By any Nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute of any law amendatory thereof or nuclear explosion, except for ensuing **loss** which results directly from fire, lightning or explosion of natural, coal or manufactured gas; or

- (ii) By contamination by radioactive material other than industrial use isotopes.

e. **Ordinance or Law**

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
(2) Requiring the tearing down of property, including the cost of removing its debris.

This exclusion, Ordinance or Law, applies whether the loss results from:

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
(2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

This exclusion does not apply to the extent ordinance or law insurance is provided under the Building by-laws Additional Coverage:

f. **Terrorism.**

g. **Computer Virus**, except to the extent provided under Electronic Data Processing Coverage Extension.

h. **Fungi, Wet Rot, Dry Rot and Microbes**

- (1) The presence, growth, proliferation, spread or any activity of **Fungi**, wet rot, dry rot or **Microbes**, all whether direct or indirect, proximate or remote or in whole or in part caused by, contributed to or aggravated by any physical damage insured by this policy;
(2) Any government or regulatory directive or request that you or anyone acting under your direction or control test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any toxic or hazardous substances, known as **Fungi**, wet rot, dry rot or **Microbes**.

i. **Earth Movement**

Unless otherwise endorsed hereon or a limit is shown for **Earth Movement** on the Commercial Property Declarations page. However, ensuing loss by fire, explosion or leakage from fire protective systems or devices will be covered.

j. **Flood**

Unless otherwise endorsed hereon or a limit is shown for **Flood** on the Commercial Property

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Declarations page. However, ensuing loss by fire or explosion will be covered.

2. We will not pay for **loss** caused by or resulting from any of the following:
 - a. Artificially generated electric or electrical current (except as provided in the Coverage Extensions of this Coverage Form), including electrical arcing that disturbs electrical devices, appliances, or wires. But if **loss** by fire results, we will pay for that resulting **loss** up to the applicable Limit of Insurance.
 - b. Delay, loss of use, loss of market, or loss of occupancy.
 - c. Smoke, vapor, or gas from agricultural smudging or industrial **operations**.
 - d.
 - (1) Wear and tear;
 - (2) Shrinkage, evaporation, loss of weight, change in flavor, color, rust, corrosion, bacteria, virus, **fungi, microbes**, decay, deterioration, sudden or latent defect, or any quality in property that causes it to damage or destroy itself;
 - (3) Inherent vice;
 - (4) Adulteration or contamination to raw stock, stock in process or finished stock or products;
 - (5) The cost of making good faulty or improper material, workmanship, or design;
 - (6) Smog;
 - (7) Settling, cracking, shrinking, or expansion;
 - (8) Erosion;
 - (9) Insects, birds, rodents, vermin, or other animals;
 - (10) Mechanical breakdown, including rupture or bursting caused by centrifugal force, except as provided in the Coverage Extensions in this Coverage Form;
 - (11) The following **causes of loss** to contents:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature; or
 - (c) Marring, denting, scratching, or crushing.

But if **loss** by **specified causes of loss** or glass breakage results, we will pay for that resulting **loss**.

- e. Discharge, dispersal, seepage, migration, release or escape of **pollutants** unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the **specified causes of loss**. But, if loss or damage caused by the **specified causes of loss** not otherwise excluded results from the discharge, dispersal, seepage, migration, release or escape of **pollutants** we will pay for the resulting loss or damage caused by the **specified causes of loss**.

This exclusion does not apply to the 4A (a). Accounts Receivable Coverage under this form.
This exclusion does not apply to damage to glass caused by chemicals applied to the glass.
- f. We will not pay for **loss** caused directly by explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by you, unless fire ensues and then only for the **loss** caused directly by such ensuing fire:
 - (1) 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;
 - (2) piping and apparatus or parts thereof **normally** containing steam or water under steam pressure from an external source and while under such pressure;
 - (3) other vessels and apparatus and pipes connected therewith while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure but this exclusion does not apply to **loss** resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimeters (24 inches) or less used for the heating and storage of hot water for domestic use;
 - (4) moving or rotating machinery or parts thereof;
 - (5) any vessels and apparatus and pipes connected while undergoing pressure test, but this exclusion does not apply to other property insured under this Coverage Form that has been damaged by such explosion;
 - (6) gas turbines.
- g. Water, other liquids, powder, or molten material that leaks or flows from plumbing, heating, air conditioning, or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

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- (1) You take reasonable steps to maintain heat in the **building** structure; or
 - (2) You drain the equipment and shut off the supply if the heat is not maintained.
 - h. Dishonest or criminal acts by you, any of your partners, **employees**, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose (other than a carrier or other bailee for hire) whether:
 - (1) Acting alone or in collusion with others; or
 - (2) Occurring during or after the hours of employment.

This exclusion does not apply to intentional acts of destruction by your **employees**. However, if the **employees** committing the act of destruction includes you, any of your partners or an officer or director, the exclusion applies. In addition, **theft by employees** is not covered. This exclusion does not apply to the extent coverage is provided under the Personal Property in Transit and Employee Theft Coverage Extensions, 4.B. n) 2) a. and 4.B. o). respectively.
 - i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device, or false pretense. This exclusion does not apply to the extent coverage is provided under the Personal Property in Transit and Employee Theft Coverage Extensions, 4.B. n) 2) a. and 4.B. o) respectively.
 - j. Rain, snow, ice or sleet to personal property in the open (other than personal property in the custody of carriers for hire).
 - k. Collapse, except as provided below in the Additional Coverage for Collapse In Section H. of this form. But if **loss** by a **Covered Cause of Loss** results, we will pay for that resulting **loss**.
 - l. The entrance of rain, rainwater, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a **Covered Cause of Loss**.
 - m. We shall not be liable for any Business Income resulting from **loss** to **Covered Property** in transit.
 - n. Neglect of an Insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
3. We will not pay for **loss** to property while actually being worked upon. But if **loss** by a **Covered Cause of Loss** results, we will pay for that resulting **loss**.
 4. We will not pay for **loss**, or the cost to correct **loss**, caused by or resulting from any of the following. But if a **loss** by a **Covered Cause of Loss** results, we will pay for that resulting **loss**.
 - a. Acts or decisions including the failure to act or decide, of any person, group, organization, or governmental body.
 - b. Faulty, inadequate, or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, processing, manufacture, testing, repair, installation, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in processing, manufacture, testing, repair, construction, renovation, or remodeling;
 - (4) Maintenance;of part or all of any property on or off the described premises.
 - c. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Section F.1. of this form to produce the loss or damage.
 5. South African Special Risk Insurance Association

We will not pay for any loss which is covered or could have been covered by a policy of insurance from SASRIA. This exclusion applies regardless of whether a policy from SASRIA was obtained.
 6. Terrorism in the United Kingdom and Northern Ireland

We will not pay for loss or damage caused by or resulting from acts of **terrorism** occurring in the United Kingdom or Northern Ireland.
 7. Government or National Programs or Schemes

We will not pay for losses that are covered under any government or national program or scheme to the extent of recoverability thereunder (conditions of payment and/or delays in payment shall not abrogate this exclusion). The insurance in this Coverage Form shall apply as excess of any amounts recoverable under such programs or schemes subject to the terms, conditions and limitations in this Coverage Form.
 8. (1) The recognition, interpretation, calculation, comparison, differentiation, sequencing or processing

Commercial Property Coverage

of data involving one or more dates or times, including the Year 2000, by any computer system, hardware, program or software, or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether it is your property or not; or

- (2) Any change, alteration, correction or modification involving one or more dates or times, including the Year 2000, to any such computer system, hardware, program or software, or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether it is your property or not.

This exclusion applies to any **loss**, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to (1) and (2) above. Except as provided in the next paragraph, this Electronic Date Recognition Clause shall apply regardless of any other cause or event that contributes concurrently or in any sequence to the **loss**, damage, cost, claim or expense.

If direct physical **loss** not otherwise excluded by this policy results, then subject to all its terms and conditions, this Policy shall be liable only for such resulting **loss**. Such resulting **loss** shall not include any cost, claim or expense, whether preventative, remedial or otherwise, arising out of or relating to any change, alteration, correction or modification relating to the ability of any damaged computer system, hardware, program or software, or any microchip, integrated circuit or similar device on computer equipment or non-computer equipment to recognize, interpret, calculate, compare, differentiate, sequence or process any **data** involving one or more dates or times, including the Year 2000. Each claim for resulting **loss** shall be adjusted separately for each location at which resulting **loss** or damage occurs, and each location at which such resulting **loss** occurs shall be regarded as a separate and distinct event.

9. Special Exclusions

The following exclusions apply to the **Extra Expense**, Rents and **Leasehold Interests** Coverage Extensions.

We will not pay for:

- a. Any increase of **loss** caused by or resulting from:
 - (1) Delay in rebuilding, repairing or replacing the property or resuming **operations** due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (2) Suspension, lapse, or cancellation of any license, lease or contract. But with respect to the insurance provided under the Rents Coverage Extension, if the suspension, lapse or cancellation is directly caused by the suspension of your rental **operations**, we will cover such **loss** that affects your rental income during the **period of restoration**.
- b. Any expense caused by or resulting from suspension, lapse or cancellation of any licence, lease or contract beyond the **period of restoration**.
- c. The cancellation of the lease by the insured.
- d. Any other consequential **loss**.

G. LIMITATIONS

1. We will not pay for **loss** of or damage to:
 - a. Property that is missing, if there is no physical evidence to show what happened to it, or if shortage is disclosed on taking inventory.
 - b. Property that has been transferred to a person or place outside the **covered location** on the basis of unauthorized instructions.
2. For **loss** by **theft**, the following types of **business personal property** are covered only up to the sub-limits shown below unless otherwise shown under Coverage Limitations for Theft on the Commercial Property Declarations page:
 - a. Furs, fur garments, and garments trimmed with fur for a sub-limit of \$ 2,500.
 - b. Jewellery, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals for a sub-limit of \$ 2,500. This limit does not apply to jewellery and watches worth \$100 or less per item.
 - c. Patterns, dies, molds and forms for a sub-limit of \$ 5,000.
 - d. Stamps, tickets, and letters of credit for a sub-limit of \$ 250.
3. For **loss** by **earth movement** or **flood** we will not pay more than the sub-limit of \$25,000, unless otherwise shown for Earth Movement or Flood in the Commercial Property Declarations page for each

occurrence and annual aggregate.

With respect to **loss** in excess of the applicable **earth movement** or **flood** limit, we will not pay for **loss** caused directly or indirectly by **earth movement** or **flood**. Such **loss** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the **loss**, except:

- a. If **loss** by fire, explosion (other than volcanic explosion) or **theft** results from **earth movement** (other than volcanic eruption), explosion or effusion, and is not otherwise excluded, we will pay for that resulting **loss**;
- b. If **loss** by fire, building glass breakage or **volcanic action** results from volcanic eruption, explosion or effusion, and is not otherwise excluded, we will pay for that resulting **loss**; or
- c. If **loss** by fire, explosion (other than volcanic explosion), sprinkler leakage or **theft** results from **flood**, and is not otherwise excluded, we will pay for that resulting **loss**.

H. ADDITIONAL COVERAGE FOR COLLAPSE

The term **Covered Cause of Loss** includes the Additional Coverage – Collapse as described and limited in a. through d. below.

a. With respect to buildings:

- (1) Collapse means an abrupt falling down or caving in of a **building** or any part of a **building** with the result that the **building** or part of the **building** cannot be occupied for its intended purpose;
- (2) A **building** or any part of a **building** that is in danger of falling down or caving in is not considered to be in a state of collapse;
- (3) A part of a **building** that is standing is not considered to be in a state of collapse even if it has separated from another part of the **building**;
- (4) A **building** that is standing or any part of a **building** that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

b. We will pay for direct physical loss or damage to **Covered Property**, caused by collapse of a building or any part of a building that is insured under this Coverage Form or that contains **Covered Property** insured under this Coverage Form, if the collapse is caused by one or more of the following:

- (1) The **specified causes of loss**, or breakage of building glass, all only as insured against in this Coverage Part;
- (2) Decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- (4) Weight of people or personal property;
- (5) Weight of rain that collects on a roof;
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in **b.(1)** through **b.(5)**, we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.

The criteria set forth in **a.(1)** through **a.(4)** do not limit the coverage otherwise provided under this Causes of Loss Form for the causes of loss listed in **b.(1)**, **b.(4)** and **b.(5)**.

c. With respect to the following property:

- (1) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- (2) Awnings, gutters and downspouts;
- (3) Yard fixtures;
- (4) Outdoor swimming pools;
- (5) Fences;
- (6) Piers, wharves and docks;
- (7) Beach or diving platforms or appurtenances;
- (8) Retaining walls; and
- (9) Walks, roadways and other paved surfaces;

Commercial Property Coverage

if the collapse is caused by a cause of loss listed in **b.(2)** through **b.(6)**, we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the collapse of a building insured under this Coverage Form; and
 - (2) The property is **Covered Property** under this Coverage Form.
- d. If personal property abruptly falls down or caves in and such collapse is not the result of collapse of a building, we will pay for loss or damage to **Covered Property** caused by such collapse of personal property only if:
- (1) The collapse was caused by a Cause of Loss listed in **b.(1)** through **b.(6)** above;
 - (2) The personal property which collapses is inside a building; and
 - (3) The property which collapses is not of a kind listed in **c.** above, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **d.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

Collapse of personal property does not mean cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

I. DEFINITIONS

Annual Aggregate	means the most this Company will pay for loss or damage during any annual policy term regardless of the number of occurrences. However, in the case of any extended policy term of more than one (1) year, but less than twenty-four (24) months, the annual aggregate will be construed to apply to the whole of such extended term.
Application Software	means any data entry, update, query or report program that processes Data for the user, whether purchased or internally developed, including but not limited to: word processors, spreadsheets, data bases, and accounting programs.
Clean-Up	means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of pollutants , including testing which is integral to the aforementioned processes.
Common carriers	means railroad companies, public truckers or motor transportation companies, including rail and vehicular freight forwarders.
Computer Virus	means any unauthorized intrusive codes or programming that are entered by any means into covered Electronic Data Processing Equipment and Electronic Media and Records and interrupt your operations at any covered location .
Covered location	means the area within legal boundaries of the premises, or of the portion of the premises, in which you have an interest, a plot of ground, a building or a portion of a building which you use to conduct your business activities and for which the address is shown in the Declarations or which is covered under the Newly Acquired Newly Constructed Property Coverage Extension.
Covered loss	means loss for which we provide insurance under the terms of this Coverage Form.
Data	means information stored in electronic, electromechanical or electromagnetic form such as, but not limited to, work processing documents, spreadsheet files, data base files, images and digitally-encoded voice and video.
Deferred payment	means your interest in lost or damaged business personal property sold by you under a conditional sale or trust agreement or under any installment or deferred payment plan after delivery to the buyer.
Dependent business location	means locations, whether inside or outside the Policy Territory, operated by you or others on which you depend to: <ol style="list-style-type: none">a. Deliver materials or services to you or to others for your account;b. Accept your products or services;c. Manufacture your products for delivery to your customers under contract of sale; or

Commercial Property Coverage

- d. Attract customers to your business; but

Dependent business locations does not include locations on which you depend to deliver water, communications, or power supply services or locations that generate or contribute to the generation of **royalties**.

Earth movement

means

- a. Any earth movement (other than sinkhole collapse) such as an earthquake, landslide, mine subsidence, or earth sinking, rising, or shifting; and
- b. Volcanic eruption, explosion, or effusion. But this does not include **volcanic action**.

All **earth movements**, including all earthquake shocks and volcanic eruptions, that occur within any **168** hour period will constitute a single **earth movement occurrence**.

Electronic Data

means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of **electronic data**, means a set of related electronic instructions which direct the **operations** and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send **data**. This does not apply to your **stock** of prepackaged software

Electronic data processing

means a network of electronic components capable of accepting information and processing it according to a plan and which exists primarily to generate information in tangible form or on **electronic media** including but not limited to telephone, facsimile and photocopying equipment.

Electronic data processing equipment

means **data** processing systems including equipment/networks, component parts and related systems, peripheral equipment including air conditioning and fire protective equipment used solely for data processing **operations**. This does not include equipment held for sale or distribution and equipment in the course of manufacture.

Electronic Media and Records

means **electronic data processing**, recording, or storage media such as films, tapes, discs, drums or cells, the information stored on such media, and programming records used in electronically controlled equipment. See definitions for **Media, Data, Application Software, System Software, and Source Code**.

Employees

are people who work for you in the conduct of your **operations** in return for a salary, wages, or commissions. An employee is subject to your exclusive direction in the performance of their duties. Brokers, factors, commission merchants, consignees, contractors, and agents are not considered **employees**.

Extra Expense

means necessary expenses you incur that you would not have incurred if there had been no direct physical loss or damage to property:

- a. To avoid or minimize the **suspension** of business and to continue **operations**:
 - (1) At the described premises; or
 - (2) At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations;
- b. To minimize the **suspension** of business if you cannot continue **operations**; or
- c. To the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form:

Commercial Property Coverage

- (1) To repair or replace any property; or
- (2) To research, replace or restore lost or damaged **electronic data** or the lost information on damaged **valuable papers and records**.

Fine arts	means property that is rare or that has historic or artistic value including works of art, antiques, or rare articles including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac.
Finished Stock	means stock manufactured, owned and held by you for sale, which in the ordinary course of your business is ready for packing, shipment, or sale.
Flood	means a general and temporary condition of partial or complete inundation of normally dry land areas or structures caused by: <ol style="list-style-type: none">a. The unusual and rapid accumulation or runoff of surface waters, waves, tides, tidal waves, tsunamis, the rising up, breaking out or overflow of any body of water, whether natural or man-made, and their spray all whether driven by wind or not; orb. Mudflow or mudslides caused by or precipitated by accumulation of water on or under the ground. <p>Flood includes the back-up of water or any substance mixed with water from a sewer, drain, sump or septic tank caused in whole or in part by flood.</p>
Fungi	means any form of fungus, including but not limited to, yeast, mould, mildew, rust, smut or mushroom, and including any spores, mycotoxins, odors, or any other substances, products, or byproducts produced by, released by, or arising out of the current or past presence of fungi . But, fungi does not include any fungi intended for consumption by you.
Goods in Process	Raw Stock which has undergone any aging, seasoning, mechanical or other process of manufacture at Covered Locations but which has not become Finished Stock .
Government Action	means: <ol style="list-style-type: none">a. Order of civil authority except acts of destruction at the time of and for the purposes of preventing the spread of fire provided that such fire did not originate from any causes excluded in this coverage;b. Seizure or destruction of property under quarantine or customs regulations;c. Confiscation, expropriation or nationalization of property by order of any government or public authority, unless this particular coverage is provided by endorsement or within any other Coverage Form.
Improvements or Betterments	means fixtures, alterations, installations or additions comprising part of a building occupied but not owned by you and acquired or made at your expense, which you cannot legally remove.
Loss	means accidental loss or damage.
Media	means materials on which data is recorded or stored using electronic, electromechanical, or electromagnetic technology to represent values of stored bits and bytes of information. Such media includes but is not limited to: CD-ROM, microcomputer diskettes, magnetic tapes, disk packs, paper tapes and cards.
Merchandise	Means goods you keep for sale which are not the product of manufacturing operations you conduct
Microbes	means any non-fungal microorganism or non-fungal, colony-form organism that causes infection or disease. Microbes include any spores, mycotoxins, odors, or any other substances, products or by products produced by, released by, or arising out of the current or past presence of microbes .
Mold and Bacteria	means any solid, liquid, gaseous or thermal irritant, including but not limited to: chemicals, bacteria, fungi , virus, mold, spores, mycotoxins or vaccines and any other similar substances which pose a hazard to human health, physical property or the environment.

Commercial Property Coverage

Money	means currency, coins, bank-notes, bullion in current use and having a face value. Money also includes travelers cheques, registered cheques and money orders which you hold for sale to the public.
Named Storm	means a storm system that has been declared to be a named tropical storm or hurricane by the U.S. National Weather Service or other governmental authority including hurricane or tropical storm spawned tornado(s) or microburst(s). The named tropical storm or hurricane begins when the National Weather Service officially declares the storm system to be a named tropical storm or hurricane and ends when the National Weather Service officially declares the named tropical storm or hurricane permanently downgraded to a tropical depression.
Normal or Normally Occurrence	is defined as the condition that would have existed had no loss occurred.
Operations	means the type of business activities occurring at the covered location .
Period of Restoration	means the period of time that: <ol style="list-style-type: none">Begins with the date of direct physical loss caused by or resulting from any Covered Cause of Loss at the Covered Location; andEnds on the date when the property should have been repaired, rebuilt, or replaced with reasonable speed and similar quality or the date when business is resumed at a new permanent location. Period of restoration includes any increased period required due to the enforcement of any law regulating construction, use, or repair, or requiring the tearing down of any damaged or destroyed property. The expiration date of this policy will not cut short the period of restoration, but such period shall not in total exceed three hundred sixty (360) days from the date of occurrence.
Personal Effects	means property other than money or securities which belongs to an individual and is primarily for the individual owner's personal use; for example, clothing, luggage, household furnishings, or writing materials.
Pollutants	means any solid, liquid, gaseous or thermal irritant, or contaminant including, but not limited to, smoke, odour, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
Premises	means the entire area within the property lines at locations specifically set forth in the Declarations or any newly acquired location(s) insured in accordance with the terms of Section A. 4.a. of this Form, and any areas under adjoining sidewalks and driveways.
Raw Stock	means material in the state in which you receive it for conversion into finished stock .
Royalties	means technical fees or commission derived from the manufacture and sale of merchandise by a licensee, which would have been earned under the terms of a written agreement between you and such licensee, but for the disruption of the licensee's operations by a Covered Cause(s) of Loss .
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, tickets and credit card receipts. Securities does not include money ; stamps, other than revenue or food stamps; tickets, including lottery tickets held for sale; or letters of credit.
Sewer Back-Up	means the backing up of sewers, sumps, septic tanks or drains.
Source Code	means the application and System Software in its original form as written by the programmer, not executable by the computer directly (because it must be converted into machine language by compilers, assemblers and interpreters).
Specified	means the following:

Commercial Property Coverage

causes of loss

fire; lightning; explosion; windstorm or hail; smoke; impact by aircraft, spacecraft or land vehicle; riot or civil commotion; vandalism; malicious acts; leakage from fire protective equipment; sinkhole collapse; falling objects; weight of snow, ice, or sleet; water damage; **Earth movement**; and **flood**; all only as insured against in this Coverage Form.

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) the cost of filling sinkholes; or
- (2) sinking or collapse of land into man-made underground cavities.

Falling objects does not include **loss** or damage to:

- (1) business personal property in the open; or
- (2) the interior of a **building** or structure or property inside a **building** or structure unless the roof or an outside wall of the **building** or structure is first damaged by a falling object.

Water damage means accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam.

Stock

means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

Suspension

means the slowdown or cessation of your business activities.

System Software

means programs used to control the computer and develop **application software** such as operating systems, communications software, application development tools.

Terrorism

means the use or threat of force or violence against persons or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when one or more of the following apply:

1. The effect is to intimidate or coerce a government or business, or disrupt any segment of the economy; or
2. The effect is to cause alarm, fright, fear or danger, or apprehension of public safety; or
3. The apparent or logically implied intent is to further political, ideological, religious or cultural objectives, or to express support for (or opposition to) a philosophy, ideology, religion or culture.

Theft

means the unlawful taking of property.

Tsunami

means a great sea wave produced by sub-marine **Earth movement**, volcanic eruption or other **Earth movement**.

Valuable papers and records

means documents which are written, printed, drawn or otherwise inscribed including books, manuscripts, abstracts, blueprints, plans, surveys, maps and drawings, film, photographs and photographic reproductions, and other photographically produced records, such as slides and microfilms, legal and financial agreements such as deeds, mortgages and leases, but does not mean **Money**, or **Securities** nor does it mean **Media**, **Data**, **Application Software**, **System Software**, or **Source Code**.

Vehicles

means any automobile, truck, trailer or self-propelled land vehicle that is licensed for highway use; aircraft; watercraft; and railcars.

Volcanic action

means direct **loss** resulting from the eruption of a volcano when the **loss** or

Commercial Property Coverage

damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

Volcanic action resulting from all volcanic eruptions that occur within any **168** hour period will constitute a single **occurrence**.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical **loss** or damage to the property.

War

means any consequence, whether direct or indirect, of invasion, act of foreign enemy, hostilities, or warlike **operations** (whether **war** be declared or not), civil war, mutiny, military or popular uprising, factional civil commotion, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

Wind

means any wind at the **Covered Locations** caused by, resulting from, or associated with any atmospheric disturbance or condition.

Policy Number:

Named Insured:

Prospectors & Developers Association of Canada
(PDAC)

MPR2345556

VARIOUS PROVISIONS IN THIS COVERAGE FORM AND IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE FORM AND POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

Throughout this Coverage Form the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Company providing this insurance.

Words and phrases that appear in **bold** print in this Coverage Form have special meaning as defined within this Coverage Form or elsewhere within the policy text.

A. COVERAGE

1. Business Income

We will pay for the actual loss, up to the applicable Limit of Insurance shown on the Declarations page, of **Business Income** and **Extra Expense** you sustain during the **period of restoration** due to the necessary **suspension** of your **operations** at your premises described on the Commercial Business Income Declarations page. The **suspension** must be caused by direct physical loss of or damage to the following property. Such loss or damage must be caused by a **Covered Cause of Loss** and must otherwise be covered under the Commercial Property Coverage Form:

- a. Property at your premises described on the Commercial Business Income Declarations Page.
- b. Property at a **dependent business location** described on the Commercial Business Income Declarations page. You may purchase higher limits for specific dependent business locations only by showing such premises in the Commercial Business Income Declarations page. Such higher limits apply to actual Business Income loss or Extra Expense only if the covered direct physical **loss** or damage occurs at such **dependent business location**.

This coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or flood.

- c. Personal property in the open (or in a vehicle) within 308 meters or (1,000 feet) of your premises described on the Commercial Business Income Declarations page.

With respect to the requirements set forth in the preceding paragraphs, if you occupy only part of the site at which the described premises are located, your premises is limited to:

- (i) The portion of the building which you rent, lease or occupy; and
- (ii) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

2. Business Income means the:

- a. Net income (net profit or net loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks only, net income includes the net sales value of productions.

3. Extra Expense

- a. Extra Expense coverage is provided only at the premises described on the Commercial Business Income Declarations Page.
- b. Extra Expense means necessary expenses you incur during the **period of restoration** that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss and otherwise covered under the Commercial Property Coverage Form. We will only pay Extra Expense (other than the expense to repair or replace property) to:
 - (1) Avoid or minimize the **suspension** of business and to continue **operations** at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the **suspension** of business if you cannot continue **operations**.

We will also pay Extra Expense to repair or replace property, or replace or restore the lost information on damaged valuable papers and records, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

4. Covered Causes of Loss

The Covered Causes of Loss shall be the same Covered Causes of Loss as set forth in the Commercial Property Coverage Form.

5. Additional Coverages

a. Miscellaneous Dependent Business Locations

We will pay for the actual loss of **Business Income** you sustain and necessary **Extra Expense** due to direct physical loss or damage at the premises of a **dependent business** location not described in the Declarations page caused by or resulting from any covered loss or damage. But we will not pay more than \$25,000 for this sub-limit unless another Limit of Insurance is shown in the Declarations page, due to loss arising from any one **dependent business location** not described in the Declarations page.

Any exclusion of loss due to the failure of power or other utility service is not applicable with respect to this Additional Coverage. This Additional Coverage does not commence until your premises have been without usable water, electricity, steam or gas continuously for twelve (12) consecutive hours. But this Additional Coverage does not apply to loss resulting from damage to any off premises electric power lines, communication transmission lines, coaxial cable or microwave relays furnishing services to your premises.

We will pay such loss provided that:

- (1) the disruption of service is not due to your failure to comply with the terms and conditions of any contract; and
- (2) the disruption of services has been reported to the utility.

This Additional Coverage does not apply if the direct physical loss or damage is caused or results from earthquake or flood.

b. Ingress / Egress

We will also pay for the actual loss of **Business Income** you sustain and necessary **Extra Expense** caused when ingress or egress to the premises described on the Commercial Business Income Declarations Page is physically prevented due to direct loss of or damage to property, other than at the premises described on the Commercial Business Income Declarations Page, caused by or resulting from any **Covered Cause of Loss** and otherwise covered under the Commercial Business Income Declarations Page.

This coverage will not begin until 12 hours after the physical loss or damage has occurred. The most we will pay for loss under this Additional Coverage is \$100,000 unless a different limit is shown for Ingress/Egress on the Commercial Business Income Declarations page.

c. Civil Authority

We will pay for the actual loss of **Business Income** you sustain and necessary **Extra Expense**, caused by action of civil authority that prohibits access to the premises described on the Commercial Business Income Declarations Page, due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any **Covered Cause of Loss** and otherwise covered under the Commercial Property Coverage Form. This Additional Coverage will apply for a period of up to 30 days from the date of that action. The most we will pay for this Additional Coverage is \$25,000 unless a different Limit of Insurance is shown for Civil Authority on the Commercial Business Income Declaration Page.

d. Alterations and New Buildings

We will pay for the actual loss of **Business Income** you sustain and necessary **Extra Expense**, up to \$100,000 unless another Limit of Insurance is shown for Alterations and New Buildings on the Commercial Business Income Declarations page, due to direct physical loss or damage at the premises described on the Commercial Business Income Declarations Page to the following property. Such loss or damage must be caused by a **Covered Cause of Loss** and must otherwise be covered under the Commercial Property Coverage Form:

- (1) New buildings or structures, whether complete or under construction;
- (2) Existing buildings or structures to which additions or alterations are being made; and
- (3) Machinery, equipment, supplies or building materials located on or within 308 meters (1,000 feet) of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of **operations**, the **period of restoration** will begin on the date **operations** would have begun if the direct physical loss or damage had not occurred.

e. Professional Fees

We will pay for reasonable fees you are obligated to pay to outside accounting professionals following direct physical loss or damage when we require such outside professionals to certify your expenses, profit or loss. Such loss or damage must be caused by a **Covered Cause of Loss** and must otherwise be covered under the Commercial Property Coverage Form.

This Additional Coverage does not apply to your employees.

The most we will pay for this Additional Coverage is \$10,000 unless a different Limit of Insurance is shown for Professional Fees on the Commercial Business Income Declarations page.

f. Newly Acquired Locations

We will pay for the actual loss of **Business Income** you sustain and necessary **Extra Expense** due to direct physical loss of or damage to property at any location which you acquire after the commencement of the Policy Period. Such loss or damage must be caused by a Covered Cause of Loss and must otherwise be covered under the Commercial Property Coverage Form. But we will not pay more during the term of this policy than \$250,000 for this sub-limit unless another sub-limit is shown for Newly Acquired Locations on the Commercial Business Income Declarations page.

Insurance under this Additional Coverage for each newly acquired location will end on the earliest of the following dates:

- (1) The day this policy expires; or
- (2) 180 days after you acquire the property; or
- (3) The day you report the Newly Acquired Location(s) to us.

We will charge you additional premium for values reported from the date you acquired the property.

g. Royalties

We will pay for the actual loss of **royalties** and necessary **Extra Expense** due to direct physical loss or damage to property of a licensee not described in the Declarations page caused by or resulting from a **Covered Cause of Loss**. We will also pay for actual loss of **royalties** and **Extra Expense** you sustain (for a period not to exceed two consecutive weeks) when access to the premises of a licensee is specifically prohibited by order of civil authority as a direct result of direct accidental physical loss or damage to adjacent premises. We will not pay more than \$25,000 for this sub-limit due to loss arising from any one location nor more than the aggregate limit of \$50,000 in any one policy year from any one or from all locations unless another sub-limit is shown for Royalties on the Commercial Business Income Declarations page. Coverage under this Additional Coverage shall apply only to premises located within the Policy Territory.

B. EXCLUSIONS

The following exclusions and those contained in the Commercial Property Coverage Form apply to coverage provided by this Coverage Form.

We will not pay for:

1. Any loss caused by or resulting from:
 - a. Damage to or destruction of **finished stock**; or
 - b. The time required to reproduce **finished stock**; or
 - c. Loss or damage to property in the course of construction, except as provided in the Alterations and New Buildings Additional Coverage.
2. Any increase in the loss of **Business Income** or increase in **Extra Expense** caused by or resulting

from:

- a. Delay in rebuilding, repairing, or replacing the property or resuming **operations** due to interference at the location of the rebuilding, repair, or replacement by strikers or other persons; or
 - b. Suspension, lapse, or cancellation of any license, lease, or contract. But if the suspension, lapse, or cancellation is directly caused by the suspension of your **operations** due to direct physical loss of or damage to property caused by a Covered Cause of Loss and otherwise covered under the Commercial Property Coverage Form, we will cover such loss to the extent that it increases your loss of **Business Income** or increases your **Extra Expense** during the **period of restoration**.
3. Except as provided for in the Additional Coverage for Miscellaneous Dependent Business Locations, we will not pay for any **Business Income** loss or **Extra Expense** caused by or resulting from loss of or damage to:
- (1) property;
 - (2) personal property of a utility located either inside or outside of a building; or
 - (3) service property;
- used by you, or a utility, to provide you with utility services.
4. We will not pay for any **Business Income** loss or **Extra Expense** you incur for loss or damage to water.
5. We will not pay for any **Extra Expense** caused by or resulting from suspension, lapse, or cancellation of any license, lease, or contract beyond the **indemnity period** or the **period of restoration** as the case may be.

C. LIMITS OF INSURANCE

1. The most we will pay for loss of **Business Income** including **Extra Expense** in any one **occurrence** is the applicable Limit of Insurance shown on the Commercial Business Income Declarations page.
2. The limits applicable to the following Additional Coverages and as shown on the Commercial Business Income Declarations page, are in addition to the Limit of Insurance:
 - a. Miscellaneous Dependent Business Locations;
 - b. Newly Acquired Locations Coverage Extension.
3. Payments under the following Additional Coverages will not increase the applicable Limit of Insurance shown on the Commercial Business Income Declarations page:
 - a. Civil Authority;
 - b. Alterations and New Buildings;
 - c. Professional Fees
 - d. Ingress/Egress;
 - e. Royalties

D. WAITING PERIOD

Subject to the applicable Limit of Insurance, we will pay the amount of **Business Income** loss that is incurred after the waiting period shown on the Declarations page for each occurrence.

If a waiting period is shown on the Declarations page, that waiting period begins immediately at the time of the covered direct physical loss or damage.

If two or more Business Income waiting periods apply to the same occurrence, only the longest single waiting period will apply, unless otherwise stated.

Hours shown for the waiting period are the normal business hours.

The waiting period does not apply to **Extra Expense**.

E. LOSS CONDITIONS



The following conditions apply in addition to those contained in the Commercial Property Coverage Form.

1. Appraisal

If you and we disagree in the amount of net income and operating expense or the amount of loss payable under this Coverage Form, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The appraisers will state separately the amount of net income and operating expense or amount of loss. If the appraisers fail to agree, they will select an umpire and submit their differences to the umpire. A decision agreed to by any two will be binding.

If the appraisers cannot agree on an umpire, either party may request that a judge of a court having jurisdiction select the umpire.

Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the expenses of the appraisal and of the umpire equally.

2. Duties In the Event of Loss

You must see that the following are done in the event of **loss**:

- a. Notify law enforcement authorities within the jurisdiction as soon as practicable if a law has been broken.
- b. Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- c. As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also, keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase our Limits of Insurance.
- e. Permit us to inspect the property and records proving the **loss** or damage and examine your books and records. Also, permit us to take samples of damaged property for inspection, testing and analysis and permit us to make copies of your books and records.
- f. Send us a signed, sworn statement of **loss** containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- g. Cooperate with us in the investigation or settlement of the claim.
- h. Resume all or part of your **operations** as quickly as possible.

3. Loss Determination

- a. The amount of **Business Income** loss shall be determined based on:
 - (1) The customary net income of the business before the direct physical loss or damage occurred;
 - (2) The likely net income of the business if no **loss** or damage had occurred, but not including any **Business Income** that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the covered loss on customers or on other business; and
 - (3) The operating expenses, including payroll expenses, necessary to resume **operations** with the same or similar quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts;
 - (d) Status and feasibility reports; and
 - (e) Budgeting and marketing records.

- b. The amount of **Extra Expense** loss will be determined based on:
 - (1) All expenses that exceed the normal operating expenses that would have been incurred by **operations** during the **period of restoration** if no direct physical loss or damage had occurred.

The following will be deducted from the total of such expenses:

- (a) The salvage value of any property bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- (b) Any **Extra Expense** that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) All necessary expenses that reduce the **Business Income** and **Extra Expense** loss that otherwise would have been incurred.

4. Loss Payment

We will pay for covered **losses** within 30 days after we receive the sworn statement of loss, provided we do not deny the claim for **loss** and:

- a. You have complied with all of the terms of this Coverage Form; and
- b. One of the following has occurred:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

5. Resumption of Operations

We will reduce the amount of your:

- a. **Business Income** loss, other than **Extra Expense**, to the extent you can resume your **operations**, in whole or in part, by:
 - (1) Using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere, when the **Business Income** loss is due to loss or damage to property other than **dependent business locations** and locations upon which you depend for **royalties**.
 - (2) Using any other available:
 - (a) Source of materials or services; or
 - (b) Outlet for your products or services;when the **Business Income** loss is due to loss or damage to **dependent business locations** or to locations upon which you depend for **royalties**.
- b. **Extra Expense** loss to the extent you can return **operations** to normal and discontinue such **Extra Expense**.

6. Loss Payment Option – Monthly Limit of Indemnity

The following Loss Payment Option applies when a Monthly Limit of Indemnity under Business Income is shown on the Declarations page.

The most we will pay for the actual **Business Income** loss incurred in each period of **30** consecutive days after the beginning of the **period of restoration** will be determined by multiplying the Limit of Insurance for **Business Income** with **Extra Expense** by the Monthly Limit of Indemnity shown in the Declarations.

If all of the amount determined by this calculation is not used in the **30** day period, the unused portion may be applied to **30** day subsequent periods.

F. ADDITIONAL CONDITIONS

1. Coinsurance

This Coinsurance condition does not apply unless a Coinsurance percentage is shown in the Declarations, in which case, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

- a. The Coinsurance percentage shown for Business Income in the Declarations; multiplied by

b. The sum of:

- (1) The net income (net profit or net **loss** before income taxes); and
- (2) Operating expenses, including payroll expenses;

that would have been earned or incurred (had no **loss** occurred) by your **operations** at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later.)

Instead, we will determine the most we will pay using the following steps:

1. Multiply the net income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
2. Divide the Limit of Insurance for the described premises by the figure determined in step 1; and
3. Multiply the total amount of loss by the figure determined in step 2.

We will pay the amount determined in step 3. or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- a. Prepaid freight – outgoing;
- b. Returns and allowances;
- c. Discounts;
- d. Bad debts;
- e. Collection expenses;
- f. Cost of raw stock and factory supplies consumed (including transportation charges);
- g. Cost of merchandise sold (including transportation charges);
- h. Cost of other supplies consumed (including transportation charges);
- i. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- j. Power, heat and refrigeration expenses that do not continue under contract;
- k. All ordinary payroll expenses or the amount of payroll expense excluded; and
- l. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

G. DEFINITIONS

For those terms not specifically defined in this Coverage Form, the definitions in the Commercial Property Coverage Form shall apply.

1. **Dependent Business Locations** means locations, whether inside or outside the Policy Territory, operated by you or others on which you depend to:
 - a. Deliver materials or services to you or to others for your account;
 - b. Accept your products or services;
 - c. Manufacture your products for delivery to your customers under contract of sale; or
 - d. Attract customers to your business; but
 - e. Excluding locations upon which you depend for **royalties**.

Dependent Business Locations do not include locations on which you depend for the delivery of water, communications, or power supply services.

2. **Finished Stock** means stock you have manufactured. **Finished stock** also includes alcoholic products being aged.

Finished stock does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Form.

3. **Indemnity period** means the period beginning with the occurrence of the damage and ending not later than the period of indemnity of 120 days, during which period of time the results of the business shall be affected in consequence of the damage. This period shall not be limited by the expiry date of this

Policy.

4. **Operations** means your business activities occurring at the described premises.
5. **Period of Restoration** for the purposes of Business Income means:
 - a. The period of time that begins with the date of direct physical loss or damage caused by or resulting from a **Covered Cause of Loss** and otherwise covered under the Commercial Property Coverage Form, or
 - b. The period of time that begins with the date **operations** would have begun if the direct physical loss or damage of the type referred to above had not occurred, when loss or damage to any of the following delays the start of operations:
 - (1) new buildings whether complete or under construction;
 - (2) alterations or additions to existing buildings; or
 - (3) personal property consisting of materials, machinery, equipment, supplies and temporary structures used in the construction, or for making additions, alterations or repairs to the structure.

Period of restoration for the purposes of Extra Expense means the period of time that, begins immediately after the time of direct physical loss or damage by a **Covered Cause of Loss** and otherwise covered under the Commercial Property Coverage Form.

Period of restoration will continue until your operations are restored, with reasonable speed, to the level which would generate the **Business Income** amount that would have existed if no direct physical loss or damage occurred, including the time required to:

 - a. repair or replace the property; or
 - b. repair or replace the property to comply with the minimum standards of any ordinance or law that:
 - (1) regulates the repair or replacement of any property;
 - (2) requires the tearing down of parts of any property not damaged by a **Covered Cause of Loss**; and
 - (3) is in force on the date of the direct physical loss or damage.

The expiration date of this policy will not cut short the **period of restoration**.

Period of Restoration does not include any increased period required to comply with any ordinance or law:

 - a. you were required to comply with before the direct physical loss or damage;
 - b. involving any property outside the legal boundary of the premises shown on the Declarations page; or
 - c. that regulates the repair or replacement of any property that was lost or damaged by an excluded cause of loss. If direct physical loss or damage is caused by or results from both a **Covered Cause of Loss** and an excluded cause of loss, the **period of restoration** only includes the length of time required to repair or replace the property lost or damaged by a **Covered Cause of Loss**.
6. **Royalties** means technical fees or commission derived from the manufacture and sale of merchandise by a licensee, which would have been earned under the terms of a written agreement between you and such licensee, but for the disruption of the licensee's operations by a **Covered Cause of Loss**.
7. **Suspension** means the slowdown or cessation of your business activities.

Policy Number:

Named Insured:

Prospectors & Developers Association of Canada
(PDAC)

MPR2345556

SECTION I – COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums you become legally obligated to pay as damages because of **bodily injury** or **property damage** to which this insurance applies. We will have the right and duty to defend you against any **action** seeking those damages. However, we will have no duty to defend you against any **action** seeking damages for **bodily injury** or **property damage** to which this insurance does not apply. We may, at our discretion, investigate any **occurrence** and settle any **claim** or **action** that may result. But:
 - (1) The amount we will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE;
 - (2) Our right and duty to defend end when we have used up the applicable limit of Liability in the payment of judgments or settlements under Coverages A, B, D or E or medical expenses under Coverage C.No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under DEFENSE AND SUPPLEMENTARY PAYMENTS – COVERAGES A, B, C, D, or E.
- b. This insurance applies to **bodily injury** and **property damage** only if:
 - (1) The **bodily injury** or **property damage** is caused by an **occurrence** that takes place in the **coverage territory**; and
 - (2) The **bodily injury** or **property damage** occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED and no **employee** authorized by you to give or receive notice of an **occurrence** or **claim**, knew that the **bodily injury** or **property damage** had occurred, in whole or in part. If such a listed insured or authorized **employee** knew, prior to the policy period, that the **bodily injury** or **property damage** occurred, then any continuation, change or resumption of such **bodily injury** or **property damage** during or after the policy period will be deemed to have been known prior to the policy period.
- c. **Bodily injury** or **property damage** which occurs during the policy period and was not, prior to the policy period, known to have occurred by an insured listed under Paragraph 1, of SECTION II – WHO IS AN INSURED or any **employee** authorized by you to give or receive notice of an **occurrence** or **claim**, includes any continuation, change or resumption of that **bodily injury** or **property damage** after the end of the policy period.
- d. **Bodily injury** or **property damage** will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of SECTION II – WHO IS AN INSURED or any **employee** authorized by you to give or receive notice of an **occurrence** or **claim**:
 - (1) Reports all, or any part, of the **bodily injury** or **property damage** to us or any other insurer;
 - (2) Receives a written or verbal demand or **claim** for 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. Damages because of **bodily injury** include 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 your standpoint. 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 you are obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) 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 attorney fees and necessary litigation expenses incurred by or for a party other than an **insured** are deemed to be damages because of **bodily injury or property damage**, provided:

Liability to such party for, or for the cost of, that party's defense has also been assumed in the same insured contract; and

Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged; or

- (2) That you would have in the absence of the **insured contract** or agreement.

c. Workers Compensation and Similar Laws

Any obligation of yours under a workers compensation, disability benefits or unemployment compensation law or any similar law.

d. Employer's Liability

Bodily Injury to:

- (1) An **employee** of yours arising out of and in the course of:

(a) Employment by you; or

Performing duties related to the conduct of your business; or

- (2) The spouse, child, parent, brother or sister of that **employee** as a consequence of Paragraph 2. d. (1) above

This exclusion applies:

(a) Whether you may be liable as an employer or in any other capacity; and

(b) Whether you may have an obligation to share damages with or repay someone else who must pay damages because of injury.

This exclusion does not apply to:

(a) Liability assumed by you under an **insured contract**; or

(b) **Employees** on whose behalf contributions are made by or required to be made by you under the provisions of any workers compensation law.

e. Automobile

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

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

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

This exclusion does not apply to:

- (1) **Bodily injury** to an **employee** of you on whose behalf contributions are made by or required to be made by the insured under the provisions of any workers compensation law.
- (2) **Bodily injury or property damage** arising out of a defective condition in, or improper maintenance of, any **automobile** owned by you while leased to others for a period of 90 days or more provided the lessee is obligated under contract to ensure that the **automobile** is insured.
- (3) **Bodily injury or property damage** arising out of the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment. This exception however does not apply when such equipment is mounted on or attached to any **automobile** and such equipment is used for the purpose of **loading or unloading**.
- (4) **Bodily injury or property damage** arising out of **loading or unloading** if such operations are precluded from coverage under the motor vehicle section of any provincial or territorial act or

regulation.

f. Watercraft

Bodily injury or property damage arising out of the ownership, maintenance, use, operation, loading or unloading, or the entrustment to others, by you or on your behalf of any watercraft.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft that is:
 - (a) Less than 16 meters in length; and isNot being used to carry persons or property for a charge;
- (3) **Bodily Injury** to an employee of yours on whose behalf contributions are made by or required to be made by you under the provisions of any workers compensation law.

g. Aircraft

(1) **Bodily injury or property damage** arising out of the ownership, maintenance, use, operation, loading or unloading, or the entrustment to others, by you or on your behalf of:

(a) Any aircraft; or

Any air cushion vehicle.

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

h. Damage to Property

Property damage to:

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

Paragraph (2) of this exclusion does not apply if the premises are **your work** and were never occupied, rented or held for rental by you. Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement. Paragraph (6) of this exclusion does not apply to **property damage** included in the **products-completed operations hazard**.

i. Damage to **Your Product**

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

j. Damage to **Your Work**

Property damage to that particular part of **your work** arising out of it or any part of it where the cause of the damage is a defect in **your work**. This exclusion shall only apply to that particular part of **your work** which is defective.

This exclusion only applies to **property damage** included in the **products-completed operations hazard**.

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

k. Damage to **Impaired Property** or Property Not Physically Injured

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

- (1) A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or

- (2) Your delay or failure or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

l. Recall of Products, Work or **Impaired Property**

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

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

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

m. Professional Liability

Bodily injury or **property damage** arising out of any professional services performed by or for you, including but not limited to:

- (1) The preparation or approval of maps, plans, opinions, reports, surveys, designs or specifications, and
- (2) Supervisory, inspection or engineering services, however this exclusion does not apply to such services as are an integral part of such work performed by or on behalf of the **insured** or are incidental to the manufacture, installation, sale, handling or distribution of the **insured's** products.

This exclusion does not apply to incidental medical malpractice injury.

n. Asbestos Liability

Bodily injury or **property damage** arising in whole or in part, either directly or indirectly out of asbestos whether or not the asbestos is:

- (1) Airborne as a fiber or particle;
- (2) Contained in a product;
- (3) Carried or transmitted on clothing or by any other means; or
- (4) Contained in or a part of any:
 - (a) building; building material; insulation product; or component part of any building, building material or insulation product.

We do not cover the investigation, settlement or defense of any **action, claim, or suit** against you alleging any actual or threatened injury or damage arising out of, or that would not have occurred but for asbestos as described above.

o. Acts of War

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

p. Pollution Liability

- (1) **Bodily injury** or **property damage** arising out of the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**:

- (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 you;

At or from any premises, site or location which is or was at any time used by or for you or others for the handling, storage, dispersal, processing or treatment of waste;

Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for you or any person or organization for whom you may be legally responsible; or

At or from any premises, site or location on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations:

- (1) if the **pollutants** are brought on to the premises, site or location in connection with

such operations by you, a contractor or subcontractor; or

- (2) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of **pollutants**.

Any **loss**, cost or expense arising out of any government direction or request, demand, or that you or others test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize or in any way respond to, or assess the effect of **pollutants**. Sub-paragraphs (a) and (d)(1) of paragraph 1 of this exclusion do not apply to **bodily injury** or **property damage** caused by heat, smoke or fumes from a fire which becomes uncontrollable or breaks out from where it was intended to be.

As used in this exclusion, **pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- q. Abuse
 - a. **Claims** or **actions** arising directly or indirectly from **abuse** committed or alleged to have been committed by an insured, including the transmission of disease arising out of any act of **abuse**.
 - b. **Claims** or **actions** based on your practices of **employee** hiring, acceptance of **volunteer workers** or supervision or retention of any person alleged to have committed **abuse**.
 - c. **Claims** or **actions** alleging knowledge by an insured of, or failure to report, the alleged **abuse** to the appropriate authority(ies).
- r. Fungi and Microbes
 - (1) **Bodily injury** arising out of or relating to, in whole or in part, the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or growth or presence of any **fungi** or **microbes**. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage, loss, cost or expense. But, this exclusion does not apply where your business is food processing, sales, or serving, and the **bodily injury** is caused solely by food poisoning in connection with such processing, sales or serving.
 - (2) **Property damage** arising out of or relating to the actual, alleged or threatened contact with, exposure to, existence of or growth or presence of any **fungi** or **microbes**.
 - (3) Any loss, cost or expense arising out of or relating to the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to or assessing the effects of **fungi** or **microbes** by any insured or by anyone else.
- s. Electronic Data

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

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums you become legally obligated to pay as damages because of **personal and advertising injury** to which this insurance applies. We will have the right and duty to defend you against any **action, claim** or **suit** seeking those damages. However, we will have no duty to defend you against any **action, claim** or **suit** seeking damages for **personal and advertising injury** to which this insurance does not apply. We may at our discretion investigate any **occurrence** or offense and settle any **action, claim** or **suit** that may result. But:
 - (1) The amount we will pay for damages is limited as described in SECTION III – LIMITS OF INSURANCE; and
 - (2) Our right and duty to defend end when we have used up the applicable Limits of Liability in the payment of judgements or settlements.No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under DEFENSE AND SUPPLEMENTARY PAYMENTS.
- b. This insurance applies to **personal and advertising injury** caused by an offense arising out of your business but only if the offense was committed in the coverage territory during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation of Rights of Another

Personal and advertising injury caused by you or your direction with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**.

b. Material Published With Knowledge of Falsity

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

c. Material Published Prior To the Policy Period

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

d. Criminal Acts

Personal and advertising injury arising out of a criminal act committed by you or at your direction.

e. Contractual Liability

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

f. Breach Of Contract

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

g. Quality Or Performance Of Goods – Failure To Conform to Statements

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

h. Wrong Description Of Prices

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

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

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

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

j. Insureds In Media and Internet Type Businesses

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

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

However, this exclusion does not apply to Paragraphs 19. a., b. and c. of **personal and advertising injury** under the Definitions Section.

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

k. Electronic Chatrooms or Bulletin Boards

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

I. Unauthorized Use Of Another's Name or Product

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

m. Fungi and Microbes

- (1) **Personal and advertising injury** arising out of or relating to, in whole or in part, the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or growth or presence of any **fungi** or **microbes**.
- (2) Any **loss**, cost or expense arising out of or relating to the testing for, monitoring, cleaning up, removing, or disposal of, or in any way responding to or assessing the effects of **fungi** or **microbes** by any insured or by anyone else.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to such injury, loss, cost or expense

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement

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

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

Provided that:

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

b. We will make these payments regardless of fault. These payments will not exceed the applicable Limits of Insurance for Medical Payments for Each Person, Per Accident, and the overall Annual Aggregate shown in the Commercial General Liability Declarations. We will pay reasonable expenses for:

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

2. Exclusions

We will not pay expenses for **bodily injury**:

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

COVERAGE D. TENANTS' LEGAL LIABILITY – BROAD FORM

1. Insuring Agreement

We will pay those sums you become legally obligated to pay as damages because of **property damage** to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is

covered unless explicitly provided for under DEFENSE AND SUPPLEMENTARY PAYMENTS – COVERAGES A, B, C, D, E. This insurance applies only to **property damage** to premises (including permanently attached building fixtures) rented to you or occupied by you. This insurance applies only to **property damage** that occurs during the policy period. The **property damage** must be caused by an **occurrence**. The **occurrence** must take place in the **coverage territory**. We will have the right and duty to defend any action seeking damages, but:

- a. The amount we will pay for damages is limited as described in the Limits of Liability shown on the Commercial General Liability Declarations page;
- b. We may investigate and settle any claim or action at our discretion; and
- c. Our right and duty to defend ends when we have used up the applicable Limits of Liability in the payment of judgments or settlements under Coverage A, B, C, D, E.

2. Exclusions

This insurance does not apply to:

- a. **Property damage** expected or intended from your standpoint; or
- b. **Property damage** for which you are obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that you would have in the absence of the contract or agreement.

COVERAGE E. EMPLOYEE BENEFITS (ERRORS & OMISSIONS)

Limits of Liability

The Limits of Liability are stated in the Declarations as **Each Occurrence** and **Annual Aggregate**.

1. Insuring Agreement

- a. **COVERAGE** – We will pay on your behalf all sums which you become legally obligated to pay as damages on any **claim** made against you by any employee, former employee or the beneficiaries or legal representatives and caused by your negligent act, error or omission, or any other person for whose acts you are legally liable, arising out of the **administration of employee benefits**.
- b. The DEFENSE AND SUPPLEMENTARY PAYMENTS and provisions of this policy shall apply as respects the coverage afforded.
- c. **POLICY PERIOD** – This insurance applies only to claims brought against you during the policy period resulting from negligent acts, errors or omissions in the **administration of employee benefits**, provided you, at the effective date of this policy, had no knowledge of or could not have reasonably foreseen any circumstances which might result in such claim.

2. Definitions

- a. **Insured** – The word “you” whenever used in relation to the insurance afforded by this Coverage E, includes not only the Named Insured, but also any partner, executive officer, director, stockholder or employee, provided such employee 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 and Health Insurance, Pension Plans or Employee Stock Subscription Plans.
- c. **Administration** –The word **Administration**, whenever used shall mean:
 - (1) Giving counsel to employees with respect to the **Employee Benefits**;
 - (2) Interpreting **Employee Benefits**;
 - (3) Handling of records in connection with **Employee Benefits**;
 - (4) Effecting enrollment, termination or cancellation of employees under **Employee Benefits** Programs.

3. Exclusions

The insurance afforded by this coverage does not apply:

- a. to any dishonest, fraudulent, criminal or malicious act, libel, slander, discrimination or humiliation;
- b. to **bodily injury**, sickness, disease, or death of any person, or injury or destruction of any physical

- property, including the loss of use;
- c. to any **claim** for failure of performance of contract by any Insurer;
 - d. to any **claim** based upon failure of stock to perform as represented by you;
 - e. to any **claim** based upon advice given to participate in stock subscription plans.
 - f. to any liability of an **insured** under the United States law, Employees' Retirement Income Security Act of 1974 (E.R.I.S.A.), or any similar legislation in Canada or any Province or territory thereof as now or hereafter amended.

4. Additional Conditions

- a. Limits of Liability – The liability limit stated in the Declarations as applicable to **Each Occurrence** is the limit of our liability for all damages on account of any **occurrence** covered; the liability limit stated as Annual Aggregate is the total limit of our liability for all **occurrences** covered and occurring during each annual period. The inclusion herein of more than one **insured** shall not operate to increase the limits of our liability.
- b. Notice of **Claim** or **Suit** – Irrespective of the application of a deductible amount, written notice of any **claim** or alleged negligent act, error or omission shall be given by or on your behalf to us. If **suit** is brought, you shall immediately forward to us every summons or other process received by you.

COVERAGE EXTENSIONS

We will extend coverage as follows:

1. Political Risk Coverage

- a. We will indemnify you for loss sustained to **personal property** during the Policy Period, subject to the limits of liability stated in the Declarations, or hereunder, as a direct result of:
 - (a) Civil War and Insurrection; or
 - (b) Expropriatory Action; or
 - (c) Acts of Sabotage or Terrorism.

Indemnification is subject to a **waiting period** of 120 days from the **date of loss** before payment will be made.

The total coverage aggregate limit for this coverage is up to the limit shown for Political Risk Coverage in the Commercial General Liability Declarations. Coverage excludes money, securities, financial instruments and valuable papers. Valuation of loss shall be at Actual Cash Value of property at time of loss.

- b. Discovery Period

This policy does not cover any loss described in section 1.a. above, unless such loss occurs and is communicated directly or indirectly to you prior to the effective date of termination of coverage and is communicated to us in writing within one year after the policy termination date.

- c. Definitions

(1) **Acts of Sabotage or Terrorism:**

Politically motivated destruction or damage to your **personal property** by state-sponsored and/or government-directed terrorism, or by an organized political group which advocates the overthrow of the established political authorities in the country of domicile.

(2) **Civil War and Insurrection:**

Any mass-based, sustained, non-intermittent and cohesively organized series of actions of insurrection, rebellion, revolution, or civil war. It is agreed that **acts of sabotage or terrorism** do not in themselves automatically qualify as acts of **civil war and insurrection**, unless such activity occurs within the broader context of mass-based, sustained, non-intermittent and cohesively organized insurrection, rebellion, revolution or civil war.

(3) **Date of Loss:**

Means the occurrence date during the Policy Period from which the **waiting period** begins.

(4) **Expropriatory Action:**

Any action, commencing during the Policy Period, of confiscation, expropriation, forced abandonment, nationalization, deprivation, or requisition which is directed, authorized, or ratified by the government of the country, and continues consecutively throughout the **waiting**

period directly, effectively, arbitrarily and significantly to deny or preclude you from exercising control over the use or disposition of a substantial portion of your property.

(5) **Waiting Period:**

Means the consecutive period of time, beginning with the **date of loss** or the date of expropriation, which is required to expire before it will be deemed to have become a loss.

(6) **Personal Property** (as used in this Coverage Extension):

Personal property shall mean physical business **personal property** owned by you and usual to your business function. This does not include consequential loss such as but not limited to business interruption, delay to market, deterioration or loss of market.

d. Exclusions

This coverage does not apply to any written or oral or implied contract or agreement between you and any government, governmental body or sovereign power as respects payments or non-payment of any contract or agreement.

2. Kidnap and Ransom

a. Kidnap and Ransom

We will indemnify you for **Ransom Monies** paid by you or **Insured Person(s)** resulting directly from the following incident(s) occurring during the **Policy Period**:

Kidnapping of an Insured Person(s)

b. Wrongful Detention

We will indemnify you for the amount paid by you for **Expenses** resulting from the **Wrongful Detention** of an **Insured Person(s)** occurring during the **Policy Period**.

The total policy aggregate limit for Coverage a. and b. separately or combined is up to the limit shown for Kidnap and Ransom in the Commercial General Liability Declarations.

c. Discovery Period

This policy will not cover:

- (a) **Kidnap** and Ransom; or
- (b) **Wrongful Detention**;

Unless such act(s) occur(s) and is (are) communicated directly or indirectly to you or an **insured person** prior to the termination date of coverage and is discovered by you and communicated to us in writing within 1 year after the policy termination date.

d. Expenses

We will indemnify you for the following expenses incurred and paid by you as a direct result of a **Kidnapping**, or **Wrongful Detention**, provided the **Kidnapping** or **Wrongful Detention** is covered:

- (a) Reasonable fees and expenses of independent security consultants, provided we have given our prior consent to the use of such independent security consultants;
- (b) Reasonable fees and expenses of public relations or recall consultants, provided we have given our prior consent to the use of such public relations or recall consultants;
- (c) Travel costs of a **Kidnap** or **Wrongful Detention** victim to join their immediate family, upon their release, including travel costs of family member(s) to join and escort such victim from place of release or reasonable location;
- (d) Reasonable and necessary fees and expenses of a qualified interpreter assisting you or **Insured Person(s)** in the event of a **Kidnapping**, Wrongful Detention; and
- (e) Any other reasonable and necessary expense incurred by you with our approval.

e. Definitions

The following words, when used in this Kidnap and Ransom coverage, have the meanings set forth below.

- (1) **Advisory**: a formal recommendation of **Appropriate Authorities** that the **Insured Person(s)** specifically leave a host country or generally that a class of person(s) which include any **Insured Person(s)** leave the country.
- (2) **Appropriate Authorities** means the Foreign Office of Canada, the United States State Department, the Foreign Office of the United Kingdom or similar authority.
- (3) **Insured**: any natural or legal person, sole proprietorship, partnership or corporation stated in

the Commercial General Liability Declarations.

- (4) **Insured Person(s)**: you (if natural or legal person, sole proprietorship, or partnership) and if listed in the Declarations as a corporation, any director, officer or employee of yours, including a **relative** of such person.
 - (5) **Kidnapping**: any event or connected series of events of seizing, detaining or carrying away by force of one more **Insured Person(s)** (except a minor by the parent(s) thereof) by person(s) for the purpose of demanding **Ransom Monies**.
 - (6) **Policy Period**: the period stated in the Commercial General Liability Declarations.
 - (7) **Policy Year**: a period of one year commencing on the day and hour named in the Commercial General Liability Declarations, or, if the time between the effective date or anniversary date and the termination date of the Policy is less than one year, then such lesser period.
 - (8) **Ransom Monies**: any **monies** you or **Insured Person(s)** have paid or lost under circumstances described in the Insuring Agreement. The term **Monies** as used herein includes cash, monetary instruments, bullion, or the fair market value of any securities, property or services.
 - (9) **Relative**: a spouse, child, stepchild, legally adopted child, foster child, spouse of a married child, grandchild, sister, brother, parent, parent-in-law, grandparent or grandparent-in-law, adoptive parent, step-parent and siblings of living ancestors or legitimate descendants of any **insured person**.
 - (10) **Wrongful Detention**: shall be the holding under duress of an **Insured Person(s)** for whatever reason and whether by authorities legally constituted in the place of custody or by others.
- f. Conditions Precedent to Liability
- (1) As a condition precedent to our Liability under Insuring Agreement a or b, you will have approved the payment of **Ransom Monies**.
 - (2) In the event of a **Kidnapping**, or Wrongful Detention of an **Insured Person(s)** during the **Policy Period**, and in the case of a **Kidnapping** prior to the payment of **Ransom Monies**, you will make every reasonable effort to:
 - (a) determine that the **Kidnapping**, or Wrongful Detention has actually occurred; and
 - (b) give immediate oral and written notice to us with periodic and timely updates concurrent with activity occurring during the incident; and
 - (c) If it appears to be in your best interest or the **Insured Person(s)**, notify the national or other appropriate law enforcement agency having jurisdiction over the matter.
- g. Exclusions

We will not be liable for loss caused by or resulting either directly or indirectly from:

- (1) Your fraudulent, dishonest, or criminal acts, or similar acts by other **Insured Person(s)**, or any person you authorized to have custody of **Ransom Monies**. This exclusion will not apply to the payment of **Ransom Monies** by you or **Insured Person(s)** in a situation where local authorities have declared such payment illegal; or
- (2) **Monies** or property surrendered away from the Premises in any face-to-face encounter involving the use or threat of force of violence unless surrendered by a person in possession of such **monies** at the time of such surrender for the sole purpose of conveying it to pay a demand for **Ransom Monies** previously communicated to you or **Insured Person(s)**; or
- (3) **Monies** or property surrendered on the Premises unless brought onto the Premises after receipt of the demand for **Ransom Monies** for the purpose of paying such demand; or
- (4) As respect **Wrongful Detention** only:
 - (a) Any actual or alleged violation of the laws of the host country by you or the **Insured Person(s)**, or your failure or the **Insured Person(s)** failure to maintain and possess duly authorized and issued required documents and visas, unless we determine that such allegations were intentionally false, fraudulent and malicious and made solely to achieve a political, propaganda, or coercive effect upon or at your expense or **Insured Person(s)**;
 - (b) Your failure, or the **Insured Person(s)** failure to evacuate from the host country within ten(10) days after issuance of an **Advisory** by the **Appropriate Authorities** or travel to country(ies) after an **Advisory** has been issued;
 - (c) You, or the **Insured Person(s)** taking part in the operations of any governmental organization, official law enforcement, or military force.

You agree to reimburse us for any payments made by us which are determined to not be covered because of the application of this exclusion.

h. General Conditions

(1) Confidentiality

You and **Insured Person(s)** will use all reasonable efforts not to disclose the existence of this coverage. This condition will also apply to any excess or other insurance.

(2) Limits of Liability

For each Insuring Agreement the maximum limit of our liability hereunder will not exceed the amount in the Declarations by reason of any one **occurrence**, except where stated to the contrary. All loss will be deemed to have incurred during the **Policy Year** in which the **Kidnapping**, or **Wrongful Detention** occurred.

(3) Due Diligence

The **Insured Person(s)** will use due diligence and concurs in doing all things reasonably practicable to avoid or diminish any loss covered under this policy.

(4) Other insurance

The insurance provided under this policy will be excess over any other valid bond or insurance.

(5) Excess Insurance

You may purchase excess insurance over the Limit of Liability set forth in this policy without prejudice to this policy provided that we are notified in writing of the details of such other insurance at the time such other insurance is acquired. The existence of insurance will not reduce our liability under this policy.

(6) Non-Accumulation of the Limits of Liability

When there is more than one **Insured** involved in the same **occurrence**, our aggregate Limits of Liability for loss sustained by any or all of them will not exceed the amount for which we would be liable if all loss were sustained by any one of them.

DEFENSE AND SUPPLEMENTARY PAYMENTS

With respect to COVERAGES A, B, C, D, E, if indicated in the Declarations as being covered, we will pay, with respect to any **claim, action** or **suit** we defend:

1. All expenses we incur;
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds;
3. All reasonable expenses incurred by you at our request to assist us in the investigation or defense of the **claim, action** or **suit** including actual loss of earnings up to the per day Loss of Earnings limit shown in the Commercial General Liability Declarations because of time off work necessary in the assistance of our investigation or defense;
4. Up to the Bail Bonds limit shown in the Commercial General Liability Declarations for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily injury Liability Coverage applies. We do not have to furnish these bonds;
5. All costs taxed against the insured in the **claim, action** or **suit**;
6. Interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the Limits of Liability, we will not pay any interest based on that period of time after the offer;
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limits of Liability.

These payments will be provided in addition to, and will not reduce, the Limits of Liability shown in the Commercial General Liability Declarations.

SECTION II – WHO IS AN INSURED

1. If you are:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner;
 - b. A partnership, limited liability partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business;

- c. A limited liability company, you are an insured. Your members are also insured, but only with respect to the conduct of your business. Your managers are insured, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, limited liability partnership, joint venture or limited liability company, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds but only with respect to their liability as your stockholders.
2. Each of the following is also an insured:
- a. Your **volunteer workers** only while performing duties related to the conduct of your business, or your **employees**, other than either your executive officers and directors (if you are an organization other than a partnership or joint venture), or to your managers (if you are limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these **employees** or **volunteer workers** are insureds for:
 - (1) **Bodily injury** or **personal and advertising injury** to you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-**employee** while in the course of his or her employment; or performing duties related to the conduct of your business, or to your other **volunteer workers** while performing duties related to the conduct of your business; or
 - (2) **Bodily injury** or **personal and advertising injury** to the spouse, child, parent, brother or sister of that co-**employee** or **volunteer worker** as a consequence of Paragraph (1) above; or
 - (3) **Bodily injury** or **personal and advertising injury** for which there is any obligation to share damages with or repay someone else who must pay damages because of injury described to Paragraphs (1) or (2) above; or
 - (4) **Bodily injury** or **personal and advertising injury** arising out of his or her providing or failing to provide professional health care services; or
 - (5) **Property damage** to property owned or occupied by or rented or loaned to, in the care or custody of, or over which physical control is being exercised for any purpose by your **employees, volunteer workers**, any partner or member (if you are a partnership, limited liability partnership or joint venture), or any member (if you are a limited liability company).
 - b. Any person (other than your **employee** or **volunteer worker**), or any organization while acting as your real estate manager;
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage.
3. Any organization you newly acquire or form, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available for that organization. However:
- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the Policy Period, whichever is earlier;
 - b. Coverage A and D do not apply to **bodily injury** or **property damage** that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to **personal and advertising injury** arising out of an offense committed before you acquired or formed the organization.
- No person or organization is an insured with respect to the conduct of any current or past partnership, limited liability partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.
4. As respects the products hazard, any person or organization serving as a vendor is an insured, but only with respect to the distribution or sale in the regular course of the vendor's business of **your products**. However, no vendor is an insured for any express warranty unauthorized by you or for any **bodily**

injury or property damage arising out of:

- a. Any physical or chemical change in form of the product made intentionally by the vendor;
- b. Re-packing, unless solely for the purpose of inspection, demonstration, testing or the substitution of parts under instruction from the manufacturer and is repacked in the original container;
- c. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the products; or
- d. Product which after distribution or sale by you has been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor.

This insurance does not apply to any person or organization, from whom you have acquired such products or any ingredient, part or container, entering into, accompanying or containing such products.

5. With respect to **mobile equipment** registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
 - a. **Bodily Injury** to a co-**employee** of the person driving the equipment; or
 - b. **Property damage** to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
6. An additional insured is insured but only with respect to their acts within the scope of your business.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Liability shown in the Commercial General Liability Declarations, and contained in any Coverage Form or Endorsement, and the rules below, fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. **Claims** made, **suit** or **actions** brought; or
 - c. Persons or organizations making **claim** or bringing **suit** or **actions**.
2. The Annual Aggregate is the most we will pay regardless of the number of **occurrences** arising out of SECTIONS A, B, C, and E.
3. Subject to 2 above, the Each Occurrence limit shown in the Commercial General Liability Declarations is the most we will pay:
 - a. Under Coverage A for the sum of all damages because of all **bodily injury** and **property damage** arising out of any one **occurrence**;
 - b. Under Coverage B for all damages because of **personal and advertising injury** sustained by any one person or organization arising out of any one **occurrence**;
 - c. Under Coverage C:
 - (1) For each person for all medical expenses because of **bodily injury** sustained by any one person in any one **occurrence**;
 - (2) For all medical expenses because of **bodily injury** sustained by more than one person in any one **occurrence**;
 - d. Under Coverage D, Tenants' Legal Liability for damages because of **property damage** to any one premises;
 - e. Under Coverage E, Employee Benefits Liability for all damages because of claims made against you arising out of the **administration** of **employee benefits** as defined.

The limits of this Coverage Form apply separately to each consecutive annual period and to any remaining period for less than 12 months, starting with the beginning of the policy period shown in

the Commercial General Liability Declarations. In any case, the additional period will be deemed part of the last preceding period for purposes of determining Limits of Liability.

SECTION IV – 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 damages because of **bodily injury, property damage, personal and advertising injury** to which this insurance applies are alleged. **Action** includes:
 - a. an arbitration proceeding alleging such damages to which you must submit or submit with our consent.; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
3. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
4. **Automobile** means a land motor vehicle, trailer or semitrailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any attached machinery or equipment.
5. **Bodily injury**: physical injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock or death resulting therefrom. **Bodily injury** also includes damages claimed by any person or organization for care or loss of services resulting at any time from such physical injury, sickness, disease or death.
6. **Claim**: a verbal or written demand placed on the **insured** by a third party for monetary compensation as a result of a covered **occurrence**.
7. **Employee** includes a **leased worker** and a **temporary worker**.
8. **Executive Officer** means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
9. **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.
10. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
 - a. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
If such property can be restored to use by :
 - (1) The repair, replacement, adjustment or removal of **your product** or **your work**; or
 - (2) Your fulfilling the terms of the contract or agreement.
11. **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 of 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 **i)** and **ii)**

above.

12. **Insured contract** means:

- a. A lease of premises;
- b. A sidetrack agreement;
- c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
- d. Any other easement agreement;
- e. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
- f. An elevator maintenance agreement; or
- g. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another, to pay damages because of **bodily injury** or **property damage** to a third person or organization, if the contract or agreement is made prior to the **bodily injury** or **property damage**. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (2) Under which you, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of your rendering or failing to render professional services, including those listed in (1) above and supervisory, inspection or engineering services.

13. **Leased Worker** means a person leased to you by a labour leasing firm under an agreement between you and the labour leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.

14. **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 aircraft, watercraft or automobile;
- b. While it is in or on an aircraft, watercraft or automobile; or
- c. While it is being moved from an aircraft, watercraft or automobile to the place where it is finally delivered; but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck that is not attached to the aircraft, watercraft or automobile.

15. **Loss** means those sums actually paid in the settlement or satisfaction of a **claim** which the **insured** is legally obligated to pay as damages because of injury or offense, after making proper deduction for all recoveries and salvage.

16. **Microbes** means any non-fungal microorganism or non-fungal, colony-form organism that causes infection or disease. **Microbes** include any spores, mycotoxins, odors, or any other substances, products, or byproducts produced by, released by, or arising out of the current or past presence of **microbes**. But, **microbes** does not mean microbes that were transmitted directly from person to person.

17. **Mobile equipment**: any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;

- c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, digger or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers; or
 - f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.
18. **Occurrence:** an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
19. **Personal and advertising injury** means injury, including consequential **bodily injury**, arising out of one or more of the following offences:
- a. False arrest, false imprisonment, wrongful detention;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in you **advertisement**; or
 - g. Infringing upon another's copyright, trade dress or slogan in your **advertisement**.
20. **Products-completed operations hazard** includes all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:
- a. Products that are still in your physical possession; or
 - b. Work that has not yet been completed or abandoned.
- Your work** will be deemed completed at the earliest of the following times:
- (1) When all of the work called for in your contract has been completed;
 - (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site;
 - (3) When that part of work done at a job site has been put to its intended use by a person or organization other than another contractor or subcontractor working on the same project;
 - (4) Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- This hazard does not include **bodily injury** or **property damage** arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.
21. **Property damage:**
- a. Physical injury to tangible property, including all resulting loss of use of that property; or
 - b. Loss of use of tangible property that is not physically injured.
22. **Spores** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any **fungi**.
23. **Suit** includes but is not limited to, a civil proceeding in which damages because of **bodily injury**, **property damage**, **personal and advertising injury** to which this insurance applies are alleged. **Suit** includes:

- a. An arbitration proceeding in which such damages are claimed and to which you must submit or do so with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.
24. **Temporary worker** means a person who is furnished to you to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.
25. **Volunteer worker** means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
26. **Your product:**
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- Your product** includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in (a) and (b) above.
27. **Your work:**
- a. Work or operations performed by you or on your behalf; and
 - b. Materials, parts or equipment furnished in connection with such work or operations.
- Your work** includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in (a) or (b) above.

SECTION V — COMMERCIAL GENERAL LIABILITY ADDITIONAL CONDITIONS

1. Arbitration

We are entitled to exercise all of the **insured's** rights in the choice of arbitrators and the conduct of any arbitration proceeding, except when the proceeding is between us and the **insured**.

2. Duties In The Event of Occurrence, Offense, Claim, Action or Suit

- a. In the event of an **occurrence**, offense, **claim**, **action** or **suit**, notice containing particulars sufficient to identify you, and also reasonable obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for you to us or any of our authorized agents as soon as practicable.
- b. Knowledge of an **occurrence**, offense, **claim**, **action** or **suit** by your agents, or employees shall not constitute knowledge by you, unless notice is received by your insurance and risk manager, financial officer or other employee appointed to assume responsibility for your insurance.

If a **claim** is made or **action** or **suit** is brought against any insured, you must:

- (1) Immediately record the specifics of the **claim** or **action** or **suit** and the date received; and
 - (2) Notify us as soon as practicable.
You must see to it that we receive written notice of the **claim** or **action** or **suit** as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **claim**, **action** or **suit**;
 - (2) Authorize us to obtain records and other information;
 - (3) Co-operate with us in the investigation, settlement or defense of the **claim**, **action** or **suit**; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization

that may be liable to you because of injury or damage to which this insurance may also apply.

- d. No insureds will, except at their own cost, voluntarily make payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

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

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

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

4. Other Insurance

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

- a. Excess Insurance

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

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for **your work**;
- (2) That is Fire Insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (3) That is insurance purchased by you to cover your liability as a tenant for **property damage** to premises rented to you or temporarily occupied by you with the permission of the owner;
- (4) If the **loss** arises out of the maintenance or use of aircraft, **automobile** or watercraft to the extent not subject to the Aircraft, Automobile or Watercraft exclusion;
- (5) That is primary insurance available to you covering liability damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement; or
- (6) When stated to apply in excess of other insurance.

When this insurance is excess, we will have no duty under Coverage A or B to defend any **claim** or **suit** that any other insurer has a duty to defend. If no other insurance defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers. When this insurance is excess over other insurance, we will pay only our share, as determined under c. Method of Sharing, of the amount of the loss, if any, that exceeds the sum of:

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

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

- b. Primary Insurance

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

- c. Method of Sharing

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

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

limit of liability to the total applicable annual limits of liability of all insurers.

5. Premium Audit

- a. We compute all premiums for this Coverage Form in accordance with our rules, rates and rating plans in effect at the time this Coverage Form was issued.
- b. Premiums shown in this Coverage Form as advance premium is a deposit premium only. At the close of each annual audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Separation of Insureds

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

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

7. Transfer of Rights of Recovery Against Others To Us

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

SECTION VI - Deductible

1. Our obligation under Coverages A, B, D, and E to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Commercial General Liability Declarations as applicable to such coverages, and the limits of insurance applicable to each **occurrence** for Bodily Injury and Property Damage Liability and to any one premises for Tenants' Legal Liability will be reduced by the amount of such deductible.
2. The deductible amount stated in the Commercial General Liability Declarations apply as follows:
 - A. **PER CLAIM BASIS** - if the deductible is on a per **claim** basis, the deductible amount applies:
 - 1) Under Coverage A:
 - a. Bodily Injury Liability or Property Damage Liability respectively:
 - i) To all damages because of **bodily injury** sustained by one person, or
 - ii) To all damages because of **property damage** sustained by one person or organization, as the result of any one **occurrence**.
 - b. Bodily Injury Liability and Property Damage Liability combined, to all damages because of **bodily injury** and **property damage** sustained by one person or organization as the result of any one **occurrence**.
 - 2) Under Coverage B, Personal and Advertising Injury Liability, to all damages because of **personal and advertising injury** sustained by one person or organization as the result of any one **occurrence**.
 - 3) Under Coverage D, Tenants' Legal Liability, to all damages because of **property damage** sustained by one person or organization as the result of any one **occurrence**.
 - 4) Under Coverage E, Employee Benefits (Errors & Omissions), to all damages because of negligent acts, errors or omissions in the **administration** of **employee benefits** sustained by one person as the result of any one **occurrence**.
 - B. **PER OCCURRENCE BASIS** – if the deductible is on a per **occurrence** basis, the deductible amount applies:
 - 1) Under Coverage A:
 - a. Bodily Injury Liability or Property Damage Liability, respectively:
 - i) To all damages because of **bodily injury** as the result of any one **occurrence**, or
 - ii) To all damages because of **property damage** as the result of any one **occurrence**,

- regardless of the number of persons or organizations who sustain damages because of that **occurrence**.
- 2) Under Coverage B, Personal and Advertising Injury Liability, to all damages because of **personal and advertising injury** as the result of one **occurrence**, regardless of the number of persons or organizations who sustain damages because of that **occurrence**.
 - 3) Under Coverage D, Tenants' Legal Liability, to all damages because of **property damage** as the result of any one **occurrence**, regardless of the number of persons or organizations who sustain damages because of that **occurrence**.
 - 4) Under Coverage E, Employee Benefits (Errors & Omissions), to all damages because of negligent acts, errors or omissions in the **administration** of **employee benefits** as the result of one **occurrence**, regardless of the number of persons or organizations who sustain damages because of that **occurrence**.
3. The terms of this insurance, including those in respect to:
 - a. our right and duty to defend any **claim, action** or **suit** seeking those damages; and
 - b. your duties in the event of an **occurrence, claim, action** or **suit** apply irrespective of the application of the deductible amount.
 4. We may pay any part or all of the deductible amount to effect settlement of any **claim, action** or **suit** and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

S.P.F. No. 6 – STANDARD NON-OWNED AUTOMOBILE LIABILITY

Insuring Agreement

In consideration of the payment of the premium and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated.

We agree to indemnify you against the liability imposed by law upon you for loss or damage arising from the use or operation of any automobile not owned in whole or in part by or licensed in your name, and resulting from **BODILY INJURY TO OR THE DEATH OF ANY PERSON OR DAMAGE TO PROPERTY OF OTHERS NOT IN YOUR CARE, CUSTODY OR CONTROL**:

provided always we 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 you as an individual; or
- b. * for any liability imposed upon any person insured by this Policy;
 - (1) by any worker'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 yours while engaged in your business; 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 the Declarations, 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.

* Paragraph b. is not applicable in the Province of Ontario.

ADDITIONAL AGREEMENT OF INSURER

Where indemnity is provided by this Policy, we further agree:

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 us; and
2. to defend in the name and on behalf of any person insured by this Policy and at our cost 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 us and any interest accruing after entry of judgment upon that part of the judgment which is within the limits of our liability; and
4. in case the injury be to a person, reimburse any person 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 the Declarations; and
6. not set up any defense to a claim that might not be set up if the policy were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

AGREEMENTS OF INSURED

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

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

GENERAL PROVISIONS AND DEFINITIONS

1. ADDITIONAL INSURED

We agree to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or employee of yours who, with the consent of the owner thereof, personally drives (a) in your business stated in the Declarations, any automobile not owned in whole or in part by or licensed in the name of (i) you, or (ii) such additional insured person, or (iii) any person or persons residing in the same dwelling premises as you or such additional insured person, or (b) any automobile hired or leased in your name 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 your control in the business stated in the Declarations but shall not include any automobile owned in whole or in part by or licensed in your name or any partner, officer or employee of yours.

4. AUTOMOBILES OPERATED UNDER CONTRACT DEFINED

The term "Automobiles Operated under Contract" as used in this Policy shall mean automobiles operated in your business 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 your name or any partner, officer or employee of yours.

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.

Contractual Liability Endorsement

In consideration of the premium for which this Policy is issued, it is understood that Exclusion C. of the Insuring Agreement of the S.P.F. No. 6 – Standard Non-Owned Automobile Liability section of this Coverage Form is removed from this Policy.

S.E.F. No. 99

EXCLUDING LONG TERM LEASED VEHICLE ENDORSEMENT

In consideration of the premium for which this Policy is issued, it is understood and agreed that Item 3 (Hired Automobiles Defined) of General Provisions and Definitions of the 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 90 days, used under your control in the business stated in the Declarations but shall not include any automobile owned in whole or in part or licensed in your name or any partner, officer or employee of yours.

STATUTORY CONDITIONS

(Applicable to S.P.F. No. 6 – Standard Non-Owned Automobile coverage, and S.E.F. No. 99 – Excluding Long Term Leased Vehicle Endorsement.)

The insurance provided under this Policy is subject to the “Standard Non-Owned Automobile Policy Form”, which contains the “Automobile Statutory Conditions” and the “Excluding Long Term Leased Vehicle Endorsement” approved by the Superintendent of Insurance for the Province in which this Policy is issued and upon request the Company will make available a complete copy of same.

GENERAL SECTION

A. The Coverage Form

This form attaches at the effective date described in the Common Policy Declarations page including all endorsements and schedules listed there. It is a coverage of insurance between you and us. The only agreements relating to this coverage are stated in this policy. The terms may not be changed or waived except by endorsement issued by us.

B. Who Is Insured

You are **insured** if you are an employer named on the Declarations Page. If that employer is a partnership, and if you are one of its partners, you are insured, but only in your capacity as an employer of the partnership's employees.

C. Workers' Compensation Law

Workers' Compensation Law means the federal workers or workers' compensation law and occupational disease law of each province, state or territory. It includes any amendments to that law which are in effect during the policy period. It does not include any federal workers or workers' compensation law, any federal occupational disease law or the provisions of any law that provide non occupational disability benefits.

D. Province, State or Territory

Province, state or territory means any province, state or territory of Canada or any country listed.

E. Locations

This coverage form covers all of your workplaces and it covers all other workplaces unless you have other insurance or are self-insured for such workplaces.

PART ONE — WORKERS' COMPENSATION INSURANCE

A. How This Insurance Applies

This workers' compensation insurance applies to **bodily injury** by accident or **bodily injury** by disease, endemic disease or **bodily injury** resulting in death.

1. **Bodily injury** by accident must occur during the policy period.
2. **Bodily injury** by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such **bodily injury** by disease must occur during the policy period.
3. It is agreed that the term disease includes any endemic disease and coverage under Part One — Workers' Compensation, applies as if endemic disease is included in the provisions of the Workers' Compensation Law or the occupational disease law, except the provision of this paragraph applies to Canadian or US. citizens or other foreign Nationals hired in Canada or the United States or as may be specifically covered.

B. We Will Pay

We will pay promptly when due the benefit required of you by the workers' compensation law.

C. We Will Defend

We have the right and duty to defend at our expense any claim, proceeding or suit for benefits payable by this coverage. We have the right to investigate and settle these claims, proceedings or suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance.

D. We Will Also Pay

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding or suit we defend:

Voluntary Workers' Compensation and Employers Liability Coverage

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the amount payable under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.

E. Excess Repatriation Expenses

We agree to reimburse you up to the limit shown in the Declarations page for additional expenses for repatriation of injured, sick or deceased employees covered by this insurance, from the location of operations to a destination in Canada, or country of hire. It being understood that such injuries must make repatriation necessary in the opinion of competent medical authorities.

Excess Repatriation does not apply to "Local Nationals" or "Third Country National" for injuries incurred within the Country of Hire.

F. Other Insurance

We will not pay more than our share of benefits and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that may apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance will be equal until the loss is paid.

G. Payments You Must Make

You are responsible for any payments in excess of the benefits regularly provided by the workers' compensation law including those required because:

1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;
3. you fail to comply with a health or safety law or regulation; or
4. you discharge, coerce or otherwise discriminate against any employee in violation of the workers' compensation law.

If we make any payments in excess of the benefits regularly provided by the workers' compensation law on your behalf, you will reimburse us promptly.

H. Recovery From Others

We have your rights, and the rights of persons entitled to the benefits of this coverage, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

I. Statutory Provisions

These statements apply where they are required by law.

1. As between an injured worker and us, we have notice of the injury when you have notice.
2. Your default or the bankruptcy or insolvency of you or your estate will not relieve us of our duties under this insurance after an injury occurs.
3. We are directly and primarily liable to any person entitled to the benefits payable by this insurance. Those persons may enforce our duties so may an agency authorized by-law. Enforcement may be against you and us.
4. Jurisdiction over you is jurisdiction over us for purposes of the workers' compensation law. We are bound by decisions against you under that law, subject to the provisions of policy that are not in conflict with that law.
5. This insurance conforms to the parts of the workers' compensation law that apply to:
 - a. benefits payable by this insurance;
 - b. special taxes, payments into security or other special funds, and assessments payable by us under that law.
6. Terms of this insurance that conflict with the workers' compensation law are changed by this

Voluntary Workers' Compensation and Employers Liability Coverage

statement to conform to that law.

Nothing in these paragraphs relieves you of your duties under this Coverage Form.

PART TWO – EMPLOYERS LIABILITY INSURANCE

A. How This Insurance Applies

This employers liability insurance applies to **bodily injury** by accident or **bodily injury** by disease.

Bodily injury includes resulting death.

1. The **bodily injury** must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in a province, state or territory.
3. **Bodily injury** by accident must occur during the policy period.
4. **Bodily injury** by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such **bodily injury** by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for **bodily injury** by accident or by disease must be brought in the Policy Territory.
6. Bodily injury to **Third Country National** or Local National while such employee is on a **Temporary Travel** (sometimes referred to as "Reverse Trip Travel Coverage").

B. We Will Pay

We will pay all sums you legally must pay as damages because of **bodily injury** to your employees, provided the **bodily injury** is covered by this Employers Liability Insurance.

The damages we will pay where recovery is permitted by law include damages:

1. for which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your employee;
2. for care and loss of services;
3. for consequential **bodily injury** to a spouse, child, parent, brother or sister of the injured employee provided that these damages are the direct consequence of **bodily injury** that arises out of and in the course of the injured employee's employment by you; and
4. because of **bodily injury** to your employee that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

C. Exclusions

This insurance does not cover:

1. punitive or exemplary damages because of **bodily injury** to an employee employed in violation of law;
2. **bodily injury** to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
3. any obligation imposed by a workers' compensation, occupational disease, unemployment compensation, disability benefits law or any similar law;
4. **bodily injury** intentionally caused or aggravated by you;
5. **bodily injury** occurring outside of the Policy Territory;
6. damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, or any personnel practices, policies, acts or omissions.
7. Fines or penalties imposed for violation of any law.
8. Injury to master or member of the crew of any vessel longer than 16 meters.

D. We Will Defend

We have the right and duty to defend, at our expense, any claim, proceeding or suit against you for damages payable by this coverage. We have the right to investigate and settle these claims, proceedings and suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this form. We have no duty to defend or continue defending after we have paid our applicable limit of liability under this

Voluntary Workers' Compensation and Employers Liability Coverage

insurance.

E. We Will Also Pay

We will also pay these costs in addition to other amounts payable under this coverage as part of any claim, proceeding or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this coverage;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.

F. Other Insurance

We will not pay more than our share of damages and costs covered by this form and other insurance or self-insurance. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self-insurance will be equal until the loss is paid.

G. Limits of Liability

Our liability to pay for damages is limited. Our limits of liability are shown on the Coverage Declaration page. They apply as explained below:

1. **Bodily Injury** by Accident. The Coverage Occurrence limit shown is the most we will pay for all damages covered by this insurance because of **bodily injury** to one or more employees in any one accident.
A disease is not **bodily injury** by accident unless it results directly from **bodily injury** by accident.
2. **Bodily Injury** by Disease. The Coverage Aggregate limit shown is the most we will pay for all damages covered by this insurance and arising out of **bodily injury** by disease, regardless of the number of employees who sustain **bodily injury** by disease. The Coverage Occurrence limit shown is the most we will pay for all damages because of **bodily injury** by disease to any one employee.
Bodily injury by disease does not include disease that results directly from a **bodily injury** by accident.
3. We will not pay any claims for damages after we have paid the Coverage Aggregate applicable limit of liability under this insurance.

H. Recovery From Others

We have your rights to recover our payment from anyone liable for an injury covered by this insurance. You will do everything necessary to protect those rights for us and to help us enforce them.

I. Actions Against Us

There will be no right of action against us under this insurance unless:

1. You have complied with all the terms of this policy; and
2. The amount you owe has been determined with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability. The bankruptcy or insolvency of you or your estate will not relieve us of our obligations under this Part.

PART THREE— YOUR DUTIES IF INJURY OCCURS

Tell us at once if injury occurs. Your other duties are listed here:

1. Provide for immediate medical and other services required by the workers' compensation law.
2. Give us the names and addresses of the injured persons and of witnesses, including other information we may need.
3. Promptly give us all notices, demands and legal papers related to the injury, claim, proceeding

Voluntary Workers' Compensation and Employers Liability Coverage

or suit.

4. Cooperate with us and assist us, as we request in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after an injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

PART FOUR – PREMIUM

A. Classifications

The Declaration Page shows the rate and premium basis for certain business or work classifications. These classifications were assigned based on an estimate of the exposures you would have during the policy period. If your actual exposures are not properly described by those classifications, we will assign proper classifications, rates and premium basis by endorsement to this Coverage Form.

B. Remuneration

Premium for each work classification is determined by multiplying a rate times a premium basis. Remuneration is the most common premium basis. This premium basis includes payroll and all other remuneration paid or payable during the policy period for the services of:

1. All your officers and employees engaged in work covered by this Coverage Form; and
2. All other persons engaged in work that could make us liable under Part One, (Workers' Compensation Insurance) of this policy. If you do not have payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph 2 will not apply if you give us proof that the employers of these persons lawfully secured their workers' compensation obligations.

PART FIVE – DEFINITIONS

- A. "Claim" means a verbal or written demand placed on the "insured" by a third party for monetary compensation as a result of covered bodily injury by accident or bodily injury by disease which is covered under this Coverage Form.
- B. "Employee" means anyone employed by the Named Insured. At your option, "employee" may include individuals who are independent contractors with whom you have a written contract in which you agree to provide them the benefits of voluntary workers' compensation. "Employee" includes:
 1. "U.S./Canadian Employee" defined as any "employee" who is U.S./Canadian citizen or legal permanent resident of the United States (including its territories and possessions) Puerto Rico and Canada hired or assigned to work, or on "temporary travel" for business purposes, within the "policy territory."
 2. "Third Country National" defined as any "employee," other than "U.S./Canadian Employees," working within, or on "temporary travel" for business purposes, within the "policy territory" but outside their "state of hire."
 3. "Local National" defined as any "employee" other than "U.S./Canadian Employees" working within the policy territory and within their "state of hire," but coverage under this policy is provided only as respects travel outside of their "state of hire."
- C. "Temporary travel" means a consecutive period of time of 30 days or less duration.
- D. "State of Hire" means the benefits of the "state" in which you hire an "employee" or from which you assign an "employee" to work elsewhere. "State of hire" also includes any state where you have contractually agreed to provide benefits. In the event the employee is deemed eligible for more than one "state of hire" benefit, the employee may choose which of the applicable "state of hire" benefits to accept.
- E. "Province of Hire" means the benefits of the "province" in which you hire an "employee" or from which you assign an "employee" to work elsewhere.
- F. "Country of Hire" means the benefits of the "country" in which the employee's usual workplace is located.

Policy Number:

Named Insured:

Prospectors & Developers Association of Canada
(PDAC)

MPR 2345556

INLAND MARINE GENERAL PROVISIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
 - b. Bear the other expenses of the appraisal and umpire equally.
- If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the loss or damage. Include a description of the property involved.
- c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- e. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- g. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- h. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- i. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
- j. Cooperate with us in the investigation or settlement of the claim.

4. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

5. Loss Payment

- a. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- b. We will not pay you more than your financial interest in the Covered Property.
- c. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- d. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

- e. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
 - f. We will not be liable for any part of a loss that has been paid or made good by others.
- 6. Other Insurance**
- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
 - b. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- 7. Pair, Sets Or Parts**
- a. **Pair Or Set**
In case of loss or damage to any part of a pair or set we may:
 - i. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
 - ii. Pay the difference between the value of the pair or set before and after the loss or damage.
 - b. **Parts**
In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.
- 8. Recovered Property**
- If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.
- 9. Reinstatement Of Limit After Loss**
- The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.
- 10. Transfer Of Rights Of Recovery Against Others To Us**
- If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:
- a. Prior to a loss to your Covered Property.
 - b. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - i. Someone insured by this insurance; or
 - ii. A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you.
- This will not restrict your insurance.

GENERAL CONDITIONS

1. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

- a. This Coverage Part;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this Coverage Part.

2. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

Inland Marine General Provisions

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

- a. There has been full compliance with all the terms of this Coverage Part; and
- b. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

4. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

5. Policy Period, Coverage Territory

We cover loss or damage commencing:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

6. Valuation

The value of property will be the least of the following amounts:

- a. The actual cash value of that property;
- b. The cost of reasonably restoring that property to its condition immediately before loss or damage;
or
- c. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

Contractor's Equipment Coverage

Policy Number:

Named Insured:

**Prospectors & Developers Association of Canada
(PDAC)**

MPR2345556

VARIOUS PROVISIONS IN THIS COVERAGE FORM AND IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE FORM AND POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

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

Words and phrases that appear in **bold** print in this Coverage Form have special meaning as defined within this Coverage Form or elsewhere within the policy text.

A. COVERAGE

Subject to the limits of liability specified in the Declarations, and all other policy provisions, we will pay for direct physical **loss** occurring during the Policy Period to Covered Property from any Covered Cause of Loss.

1. **COVERED PROPERTY**, as used in this Coverage Form, means: contractor's equipment as described on the Declarations Page, subject to Section A.2. (Property Not Covered) below. This Covered Property may be:
 - a. Your property; and
 - b. Similar property of others in your care, custody and control.

2. **PROPERTY NOT COVERED**

Covered Property does not include:

- a. Automobiles, motor trucks, tractors, trailers and similar conveyances designed for highway use
However, this exclusion does not apply to:
 - (1) Self-propelled vehicles designed and used primarily to carry mounted Covered Property; or
 - (2) Vehicles designed for highway use that are unlicensed and not operated on public roads.
- b. Aircraft or watercraft;
- c. Property while airborne;
- d. Property while waterborne, except as provided in **Section A. Coverage Extension 5.h. or in Coverage Extension 5.i.**;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. Property while located underground, in caissons, underwater or on offshore rigs;
- g. Equipment leased or rented to others, unless indicated in the Declarations; or
- h. Equipment loaned to others, except as provided in **Section A. Coverage Extension 5.a.**

3. **COVERED CAUSE OF LOSS**

Covered Cause of Loss means all causes of any direct physical **loss** to Covered Property, except those causes of loss listed in Section B. EXCLUSIONS.

4. **ADDITIONAL COVERAGES**

- a. **Arson and Crime Reward Payments**

- (1) In the event of an arson, theft or vandalism loss to which the insurance provided by this Coverage Form applies, we will reimburse you for amounts you offer, and subsequently pay, as a reward to anyone, other than you or your officers, partners or directors, for information leading to:
 - (a) The arrest and conviction of any person(s) responsible for the arson, theft or vandalism loss; or
 - (b) The recovery of the stolen property.
- (2) The most we will pay under this Additional Coverage for all rewards paid for information regarding any one arson, theft, or vandalism loss is \$10,000 unless another limit is specified for **Arson and Crime Rewards Payments** on the Declarations Page.
- (3) No deductible applies to this Additional Coverage.

Contractor's Equipment Coverage

b. Data Restoration Expense

- (1) The insurance provided by this Coverage Form covers your costs to research, replace or restore lost data on destroyed or damaged **media** which is used in or in conjunction with your Covered Property.
- (2) This Additional Coverage applies only if direct physical **loss** was caused to the **media** by a Covered Cause of Loss or results from a Covered Cause of Loss.
- (3) The most we will pay in any one **occurrence** under this Additional Coverage for your costs to research, replace, or restore lost data on destroyed or damaged media is \$5,000 unless another limit is specified for Data Restoration Expense on the Declarations Page.

c. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.
- (2) The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical **loss**.
- (3) The most we will pay under this Additional Coverage is 25% of:
 - (a) The amount we pay for the direct physical **loss** to Covered Property, plus
 - (b) The Deductible in this Policy applicable to that **loss**.But, this limitation does not apply to any additional debris removal limit provided for Debris Removal **Additional Amount** on the Declarations Page.
- (4) This Additional Coverage does not apply to costs to:
 - (a) Extract **pollutants** from land or water; or
 - (b) Remove, restore, or replace polluted land or water.

d. Fire Department Service Charge and Extinguishing Expense

- (1) When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to a limit of \$50,000, unless another limit is specified for Fire Department Service Charge and Extinguishing Expense on the Declarations Page, for your liability for fire department service charges:
 - (a) Assumed by contract or agreement prior to **loss**; or
 - (b) Required by local ordinance.
- (2) No Deductible applies to this Additional Coverage.

e. Loss Adjustment Expense

- (1) In the event of a direct physical **loss** to Covered Property from a Covered Cause of Loss, we will pay for reasonable expenses incurred by you, at our request, to assist us in the determination of the amount of **loss**, such as taking inventory and appraisals. We will not pay for public adjustors' fees.
- (2) The most we will pay in any one **occurrence** under this Additional Coverage for your expenses in assisting us in the determination of the amount of loss is \$25,000, unless another limit is specified for Loss Adjustment Expense on the Declarations Page.
- (3) No Deductible applies to this Additional Coverage.

f. Maintenance Supplies, Spare Parts and Fuel

- (1) We will pay for **loss** to spare parts and accessories for contractors equipment, fluids or vehicles including fuel oil, grease, and similar maintenance supplies usual to your operations, caused by or resulting from a Covered Cause of Loss.
- (2) This Additional Coverage does not apply to fuels and oils to be used in Covered Property while such fuels and oils are stored in above ground or below ground tanks.
- (3) The most we will pay in any one **occurrence** under this Additional Coverage is \$10,000 unless another limit is specified for Maintenance, Spare Parts and Fuel on the Declarations Page.

g. Recharge of Fire Protection Equipment

- (1) We will pay the cost to recharge discharged Fire Protection Equipment whether or not there is direct physical **loss** to Covered Property.
- (2) The most we will pay for this Additional Coverage is \$10,000 unless another limit is specified for Recharge of Fire Protection Equipment on the Declarations Page.

5. COVERAGE EXTENSIONS

Contractor's Equipment Coverage

a. Equipment Loaned To Others

- (1) If Equipment Loaned to Others is shown as INCLUDED in the Declarations, we will pay for direct physical loss as a result of a Covered Cause of Loss to Equipment Loaned to Others, but only if that Equipment Loaned to Others was loaned for a total loan period of less than 12 months

b. Expediting Expense

- (1) We will pay reasonable and necessary costs incurred by the insured to expedite repairs to Covered Property following **loss** covered under this Coverage Form. This includes payment of overtime wages and extra cost to use express or other rapid means of transportation. However, coverage is not included hereunder for costs recoverable elsewhere in the Policy or for permanent repair or replacement of damaged Covered Property.
- (2) The most we will pay under this Coverage Extension is \$25,000 unless another limit is specified for Expediting Expense on the Declarations Page.

c. Ice and Muskeg

- (1) If Ice and Muskeg is shown as INCLUDED in the Declarations, we will pay for **loss** of Covered Property due to breaking through ice or subsidence of ice, or sinking or subsidence in muskeg or swamp.
- (2) The most we will pay in any one occurrence under this Coverage Extension is the Limits of Insurance specified in the Declarations Page for:
 - (a) Limit per item;
 - (b) Limit in any one **occurrence**.
- (3) The Deductible that applies to this Coverage Extension is the Ice and Muskeg Deductible shown on the Declarations Page.

d. Newly Acquired Property

- (1) The insurance provided by this Coverage Form is extended to apply to direct physical **loss** to property of the type described on the Declarations Page which you acquire during the policy period.
- (2) Insurance under this Coverage Extension applies only if the direct physical **loss** is caused by or results from a Covered Cause of Loss.
- (3) The most we will pay in any one **occurrence** under this Coverage Extension is the Limits of Insurance specified on the Declarations Page for:
 - (a) Newly Acquired Property Limit per item;
 - (b) Newly Acquired Property Limit per **occurrence**;
- (4) The insurance provided under this Coverage Extension for each newly acquired piece of Covered Property will end when any of the following first occurs:
 - (a) The Policy expires;
 - (b) 120 days expire after you acquire the property; or
 - (c) You report the value of the Covered Property to us.
- (5) We will charge you an additional premium for values reported from the date you acquire the Covered Property.

e. Pollutant Clean Up and Removal

- (1) We will pay your expense to extract **Pollutants** from land or water if the discharge, dispersal, seepage, migration, release or escape of the **Pollutants** is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the covered **loss** occurs.
- (2) This Coverage Extension does not apply to costs to test for, monitor or assess the existence, concentration or effects of **Pollutants**, but we will pay for testing which is performed in the course of extracting the **Pollutants** from the land or water.
- (3) The most we will pay for the sum of all covered expenses arising out of Covered Cause of Loss occurring during each separate Policy Period is \$10,000 unless another limit is specified for **Pollutant Clean Up and Removal** on the Declarations Page.

f. Rental Reimbursement

- (1) We will reimburse you for the rental of equipment that is necessary to replace owned

Contractor's Equipment Coverage

Covered Property and Covered Property in your care, custody and control, and that was made inoperable due to direct physical **loss** caused by a Covered Cause of Loss. We will not reimburse you if you have other similar equipment available to you, at no additional expense, that can be used to continue or resume your operations.

- (2) A Waiting Period Deductible is the amount of time, immediately following the date and time of direct physical **loss**, during which you are responsible for the amount of rental reimbursement loss incurred.
- (3) The Waiting Period Deductible that applies to your coverage for loss of Rental Reimbursement is the Rental Reimbursement Waiting Period Deductible of 72 hours, unless another Waiting Period Deductible is specified for Rental Reimbursement on the Declarations Page.
- (4) Our payment will be limited to expenses incurred during the period beginning after the Rental Reimbursement Waiting Period Deductible, and ending when the Covered Property has been replaced, restored to service or is no longer needed, whichever occurs first. Our payment will not be limited by the expiration date of the policy. No other Deductible applies to this Coverage Extension.
- (5) We will not reimburse you for the rental expense of any equipment unless you make every reasonable effort to repair, replace or rebuild the inoperable Covered Property after the Covered Cause of Loss.
- (6) The most we will reimburse you for rental expense in any one **occurrence** under this Coverage Extension is \$2,500 unless another limit is specified on the Declarations Page. We will not pay more for all rental expenses in any one Policy Period than the Aggregate Limit of Insurance for Rental Reimbursement of \$2,500 unless another limit For Rental Reimbursement is specified on the Declarations Page.

g. Unintentional Errors and Omissions

This insurance shall not be prejudiced by any unintentional or inadvertent error, omission, incorrect valuation or incorrect description of the interest, risk or property, provided notice is given to the Company as soon as practicable upon discovery of any such error, omission, incorrect valuation or incorrect description. The most we will pay under this Coverage Extension is the Unintentional Errors and Omissions Limit of Insurance of \$100,000 unless another limit is specified on the Declarations Page.

h. Waterborne Property in Transit

- (1) If Waterborne Property in Transit is shown as INCLUDED in the Declarations we will pay for direct physical **loss** to Covered Property as a result of a Covered Cause of Loss while being transported on any regular ferry or in or on railway cars or transfers in connection with such transport.
- (2) The most we will pay in any one occurrence under this Coverage Extension is the Limits of Insurance specified in the Declarations for:
 - (a) Limit per item;
 - (b) Limit in any one **occurrence**.
- (3) The Deductible that applies to Waterborne Property in Transit is the Waterborne Property Deductible shown on the Declarations Page.

i. Waterborne Property

If Waterborne Property, other than Waterborne Property in Transit, is shown as INCLUDED in the Declarations, we will pay for direct physical **loss** to Covered Property as a result of a Covered Cause of Loss.

- (1) The most we will pay in any one **occurrence** under this Coverage Extension is the Limits of Insurance specified in the Declarations for:
 - (a) Limit per item;
 - (b) Limit in any one **occurrence**
- (2) The Deductible that applies to Waterborne Property, other than Waterborne Property in Transit, is the Waterborne Property Deductible shown on the Declarations Page.

j. Weight of Load

- (1) We will pay for direct physical **loss** of Covered Property due to the weight of load exceeding the registered lifting capacity of any Covered Property under the normal operating conditions at the time of **loss** if Weight of Load is shown as INCLUDED on the Declarations Page.

B. EXCLUSIONS

1. We will not pay for **loss** caused directly or indirectly by any of the following causes. Such **loss** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the **loss**.
 - a. **Governmental Action**

Seizure or destruction of Covered Property by order of governmental authority. But we will pay for direct physical **loss** caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would otherwise be covered under this Coverage Form.
 - b. **Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination however caused.
But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the **loss** caused by that fire if the fire would otherwise be covered under this Coverage Form.
 - c. **War or Military Action**
 - (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
2. We will not pay for **loss** caused by or resulting from any of the following:
 - a. Delay, loss of use, loss of market or, except as specifically provided, consequential loss of any nature;
 - b. Dishonest or criminal acts by you, any of your partners, **employees**, directors, trustees or authorized representatives, or anyone to whom you entrust the Covered Property for any purpose, other than a carrier or other bailee for hire.

This Exclusion applies whether or not such persons are acting alone or in collusion with other persons and it applies whether or not such acts occur during the hours of employment.

There is an exception to this exclusion for acts of destruction by your **employees**, but this exception does not apply to theft by **employees**;
 - c. Voluntary parting with any property by you or anyone else to whom you have entrusted the Covered Property, even if induced to do so by any fraudulent scheme, trick, device or false pretense.
 - d. Unexplained disappearance, except for unexplained disappearance of Covered Property in the custody of a carrier for hire.
 - e. Shortage found upon taking inventory;
 - f. Discharge, dispersal, seepage, migration, release or escape of **pollutants**:
 - (1) Unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the **Specified Causes of Loss**; or
 - (2) Except as provided for under the Coverage Extension Pollutant Clean Up and Removal.

But, if loss by the **specified causes of loss** results from the discharge, dispersal, seepage, migration, release or escape of **pollutants**, we will pay for the resulting loss caused by the **specified cause of loss**.
 - g. The weight of a load exceeding the registered lifting capacity of any machine under the operating conditions at the time of loss, except as provided in **Section A. Coverage Extension 5. j**.
 - h. Breaking through ice or subsidence of ice; or sinking or subsidence in muskeg or swamp except as provided in **Section A. Coverage Extension 5.c**.

Contractor's Equipment Coverage

3. We will not pay for direct physical **loss** caused by or resulting from any of the following causes of loss, **3.a.** through **3.k.** But if an excluded cause of loss that is listed in **3.a.** through **3.k.**, results in a Covered Cause of Loss, we will pay for the **loss** caused by that Covered Cause of Loss.
 - a. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body;
 - b. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, installation, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, installation, construction, renovation or remodeling; or
 - (4) Maintenance;
of part or all of any Covered Property, wherever located.
 - c. Mechanical breakdown or failure;
 - d. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.
 - e. Wear and tear, gradual deterioration, rust, corrosion, fungus, wet or dry rot, mould, decay, depreciation, hidden or latent defect, or any quality in the Covered Property that causes it to damage or destroy itself;
 - f. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
 - g. Dampness or dryness of atmosphere; changes in or extremes of temperature;
 - h. Marring or scratching; breakage of tubes, bulbs, lamps or articles made largely of glass (except lenses).
 - i. Computer Virus;
 - j. Malfunction of equipment, or failure of Covered Property to operate, for any reason, including but not limited to adjustment, alignment, calibration, cleaning or modification;
 - k. Functioning of any safety or protective device.

C. LIMITS OF INSURANCE

1. The most we will pay for **loss** or damage in any one **occurrence** is the applicable Limit of Insurance shown on the Declarations Page.
2. Except where specifically indicated otherwise, payments under any Additional Coverages are in addition to the applicable Limit of Insurance.
3. Except where specifically indicated otherwise, payment under the Coverage Extensions does not increase the applicable Limit of Insurance.
4. The most we will pay for any Additional Coverage or any Extension of Coverage under this Coverage Form is the Limit of Insurance specified in the Declarations

D. DEDUCTIBLE

1. When the deductible is shown as a dollar amount on the Declarations, we will not pay for **loss** in any one **occurrence** until the amount of the adjusted **loss** exceeds the Deductible amount shown in the Declarations. We will then pay the amount of the adjusted **loss** in excess of the Deductible amount, up to the applicable Limit of Insurance.
2. When the deductible is shown as a percentage in the Declarations, we will not pay for **loss** in any one **occurrence** until the amount of the adjusted **loss** exceeds an amount equal to the percentage (shown in the Declarations) of the value applicable to the **Covered Property** involved in the **loss**. We will then pay the amount of the adjusted **loss** in excess of the Deductible amount up to the applicable Limit of Insurance. If a **loss** involves two or more **Covered Property** items, the Percentage Deductible will apply only to the **Covered Property** with the highest Limit of Insurance.
3. In the event that more than one deductible applies in a single **occurrence**, the total to be deducted

shall not exceed the largest applicable Deductible.

E. VALUATION CONDITIONS

General Conditions F. Valuation in the Commercial Inland Marine Conditions is replaced by the following:

1. In the event of **loss**, the value of Covered Property will be determined as at the time of **loss**.
2. If a covered **loss** occurs to an item of Covered Property and the total amount of this **loss** is less than 20% of the value of the item at the time of **loss**, no depreciation will be applied to the damaged Covered Property in the settlement of the claim.
3. We will deduct the amount of any security deposit you retain on Covered Property leased or rented to others from what we would otherwise pay in the settlement of a claim.
4. If Actual Cash Value (ACV) is indicated in the Declarations, or in Section E.4.b. below, the value of Covered Property will be the least of the following amounts:
 - a.
 - (1) The actual cash value (replacement cost less depreciation) of the lost or damaged Covered Property at the time of direct physical loss or damage;
 - (2) The cost of repairing the lost or damaged Covered Property with other property of like kind and quality;
 - (3) The cost of replacing the lost or damaged Covered Property with other property of like kind and quality;
 - (4) If the Covered Property is leased or rented, your liability imposed by law or assumed by contract; or
 - (5) The Limit of Insurance applicable to the lost or damaged Covered Property.
 - b. With respect to Equipment Leased or Rented From Others, if the written lease or rental agreement requires that you insure such property on a replacement cost basis, the valuation is changed to replacement cost as described in Section E.5. of this Coverage Form below.
5. If Replacement Cost is indicated in the Declarations, the following valuation provisions will apply:
 - a. In the event of a **loss**, we will determine the value of lost or damaged Covered Property on the basis of replacement cost without deduction for depreciation.
 - b. We will establish the value of the **loss** at the time of its occurrence, but we will not pay more than the least of:
 - (1) The cost of repairing the lost or damaged Covered Property with property of like kind and quality;
 - (2)
 - (i) The cost of replacing the lost or damaged Covered Property with property of like kind and quality; or
 - (ii) If replacement with property of like kind and quality is not possible, the cost of replacing the lost or damaged property with property of the nearest better kind and quality available;
 - (3) The amount you actually spend that is necessary to repair or replace the lost or damaged Covered Property; or
 - (4) If the Covered Property is leased or rented, your liability imposed by law or assumed by contract; or
 - (5) The Limit of Insurance applicable to the lost or damaged Covered Property.
 - c. We will not pay on a replacement cost basis for any **loss**.
 - (1) Until the lost or damaged Covered Property is actually repaired or replaced; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the **loss**.
 - d. You may make a claim for **loss** covered by this Coverage Form on an actual cash value basis (as described in Section E.4.a. above of this Coverage Form) instead of on a replacement cost basis. In the event you elect to have a loss settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the

loss.

- e. If the declarations Page shows a year restriction, this signifies that we shall only pay a covered loss on Covered Property if the covered property has a model year that is newer than the year restriction shown as of the policy period inception date.
6. If Agreed Value is indicated on the Declarations Page, we will determine the value of the Covered Property as follows:
 - a. With respect to individual items listed in the Schedule on file with us, each item is valued at and insured for the amount indicated in the Schedule and without depreciation.
 - b. With respect to items not listed in the Schedule on file with us with a specific limit but covered under the terms of this Policy, each item shall be valued at and insured for:
 - (1) if owned by you, the cost price to you, without deduction for depreciation, or
 - (2) If not owned by you, the amount for which you may be legally liable contractually or otherwise.

Notwithstanding the foregoing, we may elect at our sole discretion to repair any damaged Covered Property or replace any damaged Covered Property with another of like quality and value.

F. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Inland Marine General Conditions, the Statutory Conditions, the Common Policy Conditions and the Common Coverage Conditions.

1. Carriers for Hire

You may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the actual cash value of the Covered Property.

2. Coverage Territory

We only cover Covered Property located within Canada and the United States of America unless otherwise stated in the Declarations.

3. Coinsurance

All Covered Property must be insured for at least the percentage coinsurance amount shown on the Declarations Page, of its value as of the time of **loss** or you will incur a penalty. If you fail to insure the Covered Property for that minimum amount, the penalty is that we will pay only the proportion of the **loss** that the Limit of Insurance shown in the Declarations for the lost or damaged Covered Property bears to the Coinsurance percentage of its value as of the time of loss.

The Coinsurance Condition does not apply:

- (1) if waived on the Declarations;
- (2) to Small Tools;
- (3) to Employee Tools and Work Clothing;
- (4) to Short Term Equipment Leased, Borrowed or Rented From Others; or
- (5) to Covered Property valued on an Agreed Value basis.

4. Minimum Earned and Retained Premium

If a Minimum Earned Premium is indicated in the Declarations, this is the minimum premium we will earn and retain regardless of policy term except when a policy is rescinded or cancelled as of the policy effective date.

5. Deductible Waiver Anti-Theft Device System

- a. In the event of a covered theft **loss**, we agree to waive the Deductible amount up to \$10,000, if any piece of stolen Covered Property is protected by an electronic tracking Anti-Theft Recovery System.
- b. The following provisions are added to the Commercial Inland Marine Conditions, **Duties in the Event of Loss**:

For contractors equipment protected by an electronic tracking Anti-Theft Recovery System;

- (1) Work with the law enforcement agency having jurisdiction in the area where the theft occurred to ensure that the piece of contractors equipment is entered as a stolen vehicle into their computer system; and

Contractor's Equipment Coverage

- (2) Provide the Administrator of your electronic tracking Anti-Theft Recovery System with the same information you provided to the local law enforcement agency.

6. Reporting Conditions

Subject to the **Reporting Period**, the Reporting Conditions will be as follows:

- a. You must keep an accurate record of the Premium Base designated on the Declarations Page. Within 30 days after the end of each **Reporting Period**, you must file with us reports of the full amounts of such Premium Base. Your report must contain updated Declarations of all Covered Property, including any newly acquired property and any applicable endorsements.
- b. If, at the time of **loss**, you have failed to file with us:
 - (1) The first required report, we will not pay more than 90% of the amount we would otherwise have paid;
 - (2) Any required report after the first report; we will not pay more than the value stated in the last report filed with us before the **loss**.
- c. We will not pay more than the applicable Limit of Insurance even if the value you report exceeds the limit.
- d. After each Premium Adjustment Period, we will compute the earned premium using the rate indicated multiplied by the average reported Premium Base indicated, per \$100. The average reported Premium Base value is determined by dividing the total reported values by the number of reports, including the report of values at policy inception.
- e. The premium specified on the Declarations Page is a deposit premium. When the **Reporting Period** is:
 - (1) On an annual basis, we will compare the total computed premium to the deposit premium. If the computed premium is:
 - (a) More than the deposit premium, you will pay us the difference; or
 - (b) Less than the deposit premium, we will pay you the difference.
 - (2) On other than an annual basis, we will apply the computed premium to the deposit premium until it is used up. You will pay us all premiums that exceed the deposit premium;
 - (a) You must pay at least the minimum premium specified in the Declarations. The minimum premium will only apply when the computed premium for the policy period is less than the minimum premium and the policy period is fully completed.
 - (b) If this insurance is cancelled, you must report the total values as indicated in the Premium Base of all Covered Property up to and including the date of cancellation.

G. DEFINITIONS

1. **Computer Virus** means any **Software** introduced or implanted without authorization into **Hardware** or **Software** which causes the corruption, distortion, deletion, destruction, unauthorized copying or **loss** of functionality of **Hardware** or **Software**
2. **Employee**:
 - a. **Employee** means:
 - (1) Any natural person;
 - (a) while in your service or for 30 days after termination of service;
 - (b) who you compensate directly by salary, wages or commissions; and
 - (c) who you have the right to direct and control while performing services for you;
 - (2) Any natural person who is furnished temporarily to you;
 - (a) to substitute for a permanent **employee** as defined in Paragraph above who is on leave; or;
 - (b) to meet seasonal or short-term work load conditions, while that person is subject to your direction and control and performing services for you, excluding any such person while having care, and custody of Covered Property not on your premises;
 - (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary **employee** as defined in Paragraph G. 2.a. (2) above;
 - (4) Any natural person who is a former **employee**, director, partner, member, manager,

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- representative or trustee retained as a consultant while performing services for you; or
- (5) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care, and custody of Covered Property outside the premises.
- b. **Employee does not mean:**
- (1) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- (2) Any manager, director or trustee except while performing acts coming within the scope of the usual duties of an **employee**.
3. **Hardware** means a network of electronic machine components capable of accepting instructions and information, processing the information according to the instructions, and producing desired results. **Hardware** does not include **Software**.
4. **Loss** means accidental loss or damage to Covered Property.
5. **Media** means processing, recording, or storage materials used with **hardware**. This includes but is not limited to films, tapes, cards, discs, drums, cartridges, memory sticks or cells.
6. **Newly Acquired Property**, means property purchased or borrowed by you during the policy period but does not include property you rent, hire or lease from others, except property for which you have a written rent or lease agreement of no less than 12 months.
7. **Occurrence** means any one **loss**, disaster or casualty either in case of partial or total loss or salvage or other charges or expenses or all combined.
8. **Pollutants** means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
9. **Premium base** means the basis upon which the premium for Covered Property will be determined. The **premium base** is shown on the Declarations Page.
10. **Reporting Period** means the period of time for which new reports of value are due, as specified on the Declarations Page:
- a. Monthly, reports must show values as of the last day of the month; and the **Reporting Period** ends on the last day of each month.
- b. Quarterly, reports must show values as of the last day of each month; but the **Reporting Period** ends on the last day of each third month from policy inception.
- c. Semi-Annual, reports must show values as of the last day of each month; but the **Reporting Period** ends on the last day of the sixth month from policy inception and on the policy anniversary date.
- d. Annual, reports must show values as of the last day of each month; but the **Reporting Period** ends on the policy anniversary date.
11. **Short Term Equipment Leased, Borrowed or Rented From Others** means Covered Property that you have leased, borrowed or rented from others for a period of less than 12 months.
12. **Software** means:
- a. Electronic data processing, recording or storage media such as film, tapes, cards, discs, drums or cells; and
- b. Data and programming records, used for electronic data processing or electronically controlled equipment, stored on media.
13. **Specified Causes of Loss** means: fire; lightning; explosion; windstorm; hail; smoke; riot or civil commotion; vandalism; theft; leakage from fire extinguishing equipment; aircraft or vehicles and objects thrown up by vehicles; **sinkhole collapse**; volcanic action; falling objects; weight of snow, ice or sleet; **Water damage**; elevator collision; sonic shock waves; or accident to the vehicle while carrying Covered Property.
- a. **Sinkhole collapse** means the sudden sinking or collapse of land into underground empty spaces

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created by the action of water on limestone or dolomite. This cause of **loss** does not include:

- (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
- b. **Water damage** means **loss** caused by accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

Policy Number:

Named Insured:

**Prospectors & Developers Association of Canada
(PDAC)**

MPR2345556

VARIOUS PROVISIONS IN THIS COVERAGE FORM AND IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE FORM AND POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

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

Words and phrases that appear in **bold** print in this Coverage Form have special meaning as defined within this Coverage Form or elsewhere within the policy text

A. COVERAGE

We will pay for loss to Covered Property from any of the Covered Causes of Loss.

1. **Covered Property**, as used in this Coverage Form, means property listed in the Declarations under Schedule of Property.

2. **Property Not Covered**

Covered Property does not include:

- a. Automobiles, motor trucks, tractors, trailers and similar conveyances licensed for highway use;
- b. Aircraft or watercraft.

3. **Covered Causes of Loss**

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS to **Covered Property** except those causes of **loss** listed in the Exclusions.

B. EXCLUSIONS

1. We will not pay for **loss** caused by or resulting from any of the following:

- a. Delay, loss of market or loss of use;
- b. Unexplained disappearance;
- c. Shortage found upon taking inventory;
- d. **Loss** to electrical apparatus caused by electricity other than lightning. But we will pay for direct **loss** caused by resulting fire or explosion;
- e. Processing or work upon the property. But we will pay for direct **loss** caused by resulting fire or explosion.
- f. Dishonest acts by you, anyone else with an interest in the property, your or their employees or authorized representatives, or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment.

But this exclusion does not apply to a carrier for hire.

2. We will not pay for **loss** caused by or resulting from any of the following. But if a **loss** by a **Covered Cause of Loss** results, we will pay for that resulting **loss**,

- a. Wear and tear, gradual deterioration, depreciation;
- b. Any quality in the property that causes it to damage or destroy itself;
- c. Hidden or latent defect.
- d. Mechanical breakdown;
- e. Insects, vermin, rodents;
- f. Corrosion, rust, dampness, dryness, cold or heat, mold or rot.

3. We will not pay for **loss** caused directly or indirectly by any of the following. Such **loss** is excluded

regardless of any other causes or event that contributes concurrently or in any other sequence to the **loss**.

a. Governmental Action

Seizure or destruction of property by order of governmental authority. But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct **loss** caused by resulting fire if the fire would be covered under this Coverage Form.

c. War and Military Hazard

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

C. LIMITS OF INSURANCE

The most we will pay for **loss** in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

D. DEDUCTIBLE

We will not pay for **loss** in any one occurrence until the amount of the adjusted **loss** exceeds the Deductible shown in the Declarations.

We will then pay the amount of the adjusted **loss** in excess of the Deductible, up to the applicable Limit of Insurance.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Inland Marine General Provisions, the Statutory Conditions, the Common Policy Conditions and the Common Coverage Conditions:

1. Coverage Territory

We cover property wherever located within Canada and the United States of America unless otherwise stated in the Declarations.

2. Coinsurance

All **Covered Property** must be insured for its actual cash value at the time of **loss** or you will incur a penalty. The penalty is that we will pay only the proportion of any **loss** that the Limit of Insurance shown in the Declarations for the lost or damaged item bears to the actual cash value of the item at the time of **loss**.

F. DEFINITIONS

1. **Loss** means accidental **loss** or damage.

Common Policy Endorsement

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Coverage Territory Limitation Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is agreed that this insurance does not apply to:

1. any liability arising out of the sale or receipt of any product(s) or service(s);
2. any liability arising out of business or employee travel;
3. any fixed assets; or
4. any worldwide shipments of goods

to, from or in the following countries:

Cuba, Iran, Liberia, Myanmar (Burma), North Korea, Sudan, Syria

and any restricted countries that are subject to Canadian Economic Sanctions, unless referred to underwriters for their prior review and approval.

Note: This list of restricted countries will change from time to time therefore, please refer to your insurance broker or underwriter for updates. The list of countries subject to Canadian Economic Sanctions can be accessed through the internet at <http://www.international.gc.ca/sanctions/countries-pays/index.aspx?lang=eng>.

All other terms and conditions remain unchanged.

Common Policy Endorsement

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Declaration Of Emergency Endorsement Extension of Termination or Expiry Date

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

1. The **emergency** must have a direct effect or impact on:
 - i) The Insured, the insured site or insured property located in the declared emergency area; or
 - ii) The operations of the Insurer or its agent/broker located in the declared emergency area.

2. A. Any time limitation described in the Termination condition of this policy, with respect to termination of this policy by the Insurer, will not continue to run until the emergency is terminated plus the lesser of:
 - i) 30 days; or
 - ii) The number of days equal to the total time the **emergency** order was in effect.

2. B. If this policy is due to expire during an emergency, it will continue in force until the "emergency" is terminated plus the lesser of:
 - i) 30 days; or
 - ii) The number of days equal to the total time the **emergency** order was in effect.

3. In no event shall the total term of this extension exceed 120 consecutive days.

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

Emergency means the first statutory declaration of an emergency:

- a) with respect to a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act whether intentional or otherwise; or
- b) as provided for by the relevant governing legislation if different from a).

but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

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

Common Policy Endorsement

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Important Notice Endorsement

Important Notice to Policyholders

Property, Crime, Inland Marine and Boiler and Machinery Coverage Parts

This notice is designed to give you an overview of how your Property, Inland Marine, Crime or Boiler Machinery Coverage Part addresses date related claims. This notice is not your policy. READ YOUR POLICY CAREFULLY to determine rights, duties, and what is and is not covered. Only the provisions of your policy determine the scope of your insurance protection.

There is no coverage under the Commercial Property, Inland Marine, Crime or Boiler and Machinery Coverage Parts of your policy for:

- Costs or expenses incurred to assess, design, identify, inspect, install, maintain, modify, monitor, rectify, repair, replace, reprogram or test any equipment, systems, software or their components due to the manner, or in anticipation of the manner, in which equipment, systems, software, or their components recognize, interpret, process or differentiate dates or times, or are unable to recognize, interpret, process or differentiate dates or times or;
- Loss of business income or extra expense incurred due to the period of time required to assess, design, identify, inspect, install, maintain, modify, monitor, rectify, repair, replace, reprogram or test any equipment, systems, software or their components due to the manner, or in anticipation of the manner, in which equipment, systems, software, or their components recognize, interpret, process or differentiate dates or times, or are unable to recognize, interpret, process or differentiate dates or times.

Please note that this is not a reduction in the coverage provided under the existing policy forms. Physical loss or damage is prerequisite to coverage under all first party property damage and time element coverages, as set forth clearly in your policy. In the majority of cases, it is anticipated that date related incidents will not result in direct physical loss or damage, but will instead result in dissatisfaction with the manner in which equipment, systems, software, or their components recognize, interpret, process or differentiate dates or times, even though the property is operating as it was designed or programmed to operate.

For example, if the equipment is programmed to only accept the last two digits of any year (e.g. XX) and the programming is also designed to recognize the first two digits of the year as 19, the equipment will correctly recognize the year 2001 as 1901, as designed. It may not be the result that the user is looking for, but there is no direct physical loss or damage to the equipment, as it is performing exactly as it was designed.

In the event direct physical loss or damage does result from a date related incident, we will rely on our existing policy provisions and exclusions in determining whether or not there is coverage for the resulting loss or damage.

Common Policy Endorsement

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

United States Terrorism Risk Insurance Act Endorsement

This endorsement addresses requirements of the United States Terrorism Risk Insurance Act.

Definitions

The definitions provided in this endorsement are based on the definitions in the Act and are intended to have the same meaning. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

Certified Act of Terrorism

Certified act of terrorism means an act that is certified by the United States Secretary of the Treasury, in concurrence with the United States Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the United States federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If the aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the United States Secretary of the Treasury.

Application of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy, such as losses excluded by a nuclear hazard exclusion or a war exclusion.

Common Policy Endorsement

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

War or Terrorist Action Property and Liability Exclusion Endorsement

NOTE: THIS ENDORSEMENT DELETES AND REPLACES ANY REFERENCE TO WAR, ACTS OF WAR, GOVERNMENT ACTION OR TERRORIST ACTION EXCLUSIONS OR DEFINITIONS THAT MAY APPEAR IN ANY OF THE COVERAGE FORMS THAT FORM A PART OF THIS POLICY. THE CONDITIONS STATED HEREIN APPLY TO ALL COVERAGE FORMS FORMING A PART OF THE POLICY.

The following condition is added to B., COMMON POLICY CONDITIONS:

Action, Suit

In any **action, suit**, or other proceeding where we allege that the **loss** is not covered by reason of the provision of a **war** or **terrorist action** exclusion that is part of this policy, the burden of proving that such **loss** is covered shall be upon the **insured**.

The following conditions are added to C., COVERAGE CONDITIONS, forming a part of the Common Policy Conditions:

1. War Property and Liability Exclusion

This insurance does not apply under any Property Coverage, Inland Marine Coverage, Liability Coverage, or Medical Payments Coverage to:

Covered property loss, Bodily Injury, Property Damage, or Personal and Advertising Injury, that in whole or in part is caused directly or indirectly by, arises out of, or in any way involves:

b. **War**;

2. Terrorist Action Property and Liability

This insurance does not apply under any Property Coverage, Inland Marine Coverage, Liability Coverage, or Medical Payments Coverage to:

Common Policy Endorsement

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(PDAC)

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Covered property loss (including ensuing **loss** which results directly from fire or explosion unless such exclusion is prohibited by law), **bodily injury, property damage, or personal and advertising injury**, that in whole or in part is caused directly or indirectly by, arises out of, or in any way involves one or more of the following:

- a. **Government Action;**
- b. **Terrorist Action** or any action taken by anyone to prevent or address actual or expected **terrorist action**.

3. Any **loss**, cost or expense arising out of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing or disposing of, or in any way assessing or responding to the effects of toxic, infectious, or radioactive matter distributed, generated or released as a direct or indirect result of any event described in Items **1.** above.

This COVERAGE CONDITION applies regardless of any other cause or event that contributed concurrently or in any sequence to such injury, damage, loss, cost, or expense.

This COVERAGE CONDITION supercedes any coverage or condition to the contrary that may be included in any coverage form or endorsement that is part of this policy.

Items **1.** and **2.** of this endorsement does not apply to **bodily injury** or **property damage** you cause while assisting emergency rescue operations following any of the events described therein.

War as used in this COVERAGE CONDITION means:

Any consequence, whether direct or indirect, of invasion, act of foreign enemy, hostilities, or warlike operations (whether **war** be declared or not), civil war, mutiny, military or popular uprising, factional civil commotion, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

Government Action as used in this COVERAGE CONDITION means:

- a. Order of civil authority except acts of destruction at the time of and for the purposes of preventing the spread of fire provided that such fire did not originate from any causes excluded in this coverage;
- b. Seizure or destruction of property under quarantine or customs regulation;
- c. Confiscation, expropriation or nationalization of property by order of any government or public authority, unless this particular coverage is provided by endorsement or within any other Coverage Form.

Common Policy Endorsement

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Terrorist Action as used in this COVERAGE CONDITION means the actual or threatened:

- a. Use of force or violence against persons or property.
- b. Commission of an act dangerous to human life or property, or
- c. Commission of an act that interferes with or disrupts an electronic or communications system,

undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority, or military force, when any of the following applies:

- a. The apparent intent or effect is to intimidate or coerce a government or business, or to disrupt any segment of the economy.
- b. The apparent intent or effect is to cause alarm, fright, fear of danger, or apprehension of public safety in one or more distinct segments of the general public, or to intimidate or coerce one or more such segments; or
- c. The reasonably apparent intent or effect is to further political, ideological, religious or cultural objectives, or to express support for (or opposition to) a philosophy, ideology, religion or culture.

4. **Nuclear Reaction, or Radiation, or Radioactive Contamination**

With respect to any **action** that involves nuclear reaction, or radiation, or radioactive contamination, and which comes within the scope of any applicable **war** or **terrorist action** exclusion(s), the **war** or **terrorist action** exclusion(s) supercede any Nuclear exclusion that would otherwise be applicable.

All other terms and conditions of your policy remain unchanged.

CPC 00-008 CE 112009

Commercial Property Endorsement

Named Insured:

Prospectors & Developers Association of Canada
(PDAC)

Policy Number:

MPR2345556

Effective Date:

AS PER CERTIFICATES ON FILE
WITH INSURER

Policy Period:

AS PER CERTIFICATES ON FILE
WITH INSURER

Data Exclusion Endorsement

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:
COMMERCIAL PROPERTY COVERAGE FORM.

The following sections A and B apply to all forms shown on the Declarations Page for Commercial Property and Miscellaneous Insurance, including any changes made by endorsement thereto, except with respect to **Accounts Receivable including Active Data Processing Media**.

- A.1. (a) This form does not insure **Data**.
- (b) This form does not insure loss or damage caused directly or indirectly by **Data Problem**, regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage. However, if loss or damage caused by **Data Problem** results in the occurrence of further loss of or damage to property insured that is directly caused by a **Covered Cause of Loss**, as defined in this endorsement, 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 this policy.
- A.2. Paragraph F. of Clause 13 - Valuation 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.

Commercial Property Endorsement

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Whichever of the above is applicable shall be the basis to be adopted for the purpose of applying Co-Insurance.

- B. Subject to (a) and (b) following, the Insurer shall not be liable for any 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 Problems** results in direct physical loss of or damage to property at the **Premises** caused by an **Insured Peril**, as defined in this endorsement, this exclusion B. shall not apply to resulting interruption of business 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 this policy.
- (b) If **Data Problem** is a direct result of:
- (i) an **Insured Peril** as defined in this endorsement;
 - (ii) earthquake, but only if the form to which this endorsement is applicable provides earthquake coverage.
 - (iii) flood, but only if the form to which this endorsement is applicable provides flood coverage.
 - (iv) **Sewer Backup** but only if the form to which this endorsement is applicable provides Sewer Backup coverage.

at the **Premises**, this exclusion B shall not apply. This exception only applies to the extent that such loss would otherwise be insured under this policy.

The following section C applies only to forms **Accounts Receivable including Active Data Processing Media** shown on the **Declarations Page** for Commercial Property Insurance, including any changes made by endorsement thereto.

- C. Subject to (a) and (b) following, this form does not insure loss or damage directly or indirectly by **Data Problem**, regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.
- (a) If loss or damage caused by **Data Problem** results in the occurrence of further loss of or damage to property insured that is directly caused by an **Insured Peril**, as defined in this endorsement, this exclusion C 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 this policy.
- (b) If **Data Problem** is the direct result of:
- (i) an **Insured Peril**, as defined in this endorsement;
 - (ii) earthquake, but only if the form to which this endorsement is applicable provides earthquake coverage;
 - (iii) flood, but only if the form to which this endorsement is applicable provides flood coverage;

Commercial Property Endorsement

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(iv) **Sewer Backup**, but only if the form to which this endorsement is applicable provides Sewer Backup coverage;

at the **Premises**, this exclusion C. shall not apply. This exception only applies to the extent that such loss would otherwise be insured under this policy.

With respect to section A, B and C above, the following paragraphs are deleted from any form to which this endorsement is applicable:

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

D. The following section is attached to and forms part of any Liability form/rider/endorsement, for which this coverage is shown in the **Declarations Page**.

This insurance does not apply to any liability for:

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

including any loss of use arising therefrom.

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

E. The following section is attached to and forms part of Crime coverage where there is coverage shown on the **Declarations Page**.

Subject to (a) and (b) following, the Insurer shall not be liable for loss of money and securities directly or indirectly caused by **Data Problem**, regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.

- (a) If loss or damage caused by **Data Problem** results in the occurrence of further loss or damage to property insured that is directly caused by an **Insured Peril**, as defined in this endorsement, this exclusion E. 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 policy;
- (b) If **Data Problem** is the direct result of an **Insured Peril**, as defined in this endorsement, within the premises or within any banking premises or similar recognized places of safe deposit, this exclusion E. shall not apply. This exception only applies to the extent that such loss would otherwise be insured under this policy.

DEFINITIONS



Commercial Property Endorsement

Policy Number:

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

Wherever used in this endorsement, **Data Problem** means:

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

Declarations Page means the Declarations Page applicable to this endorsement.

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

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

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

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

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

- (a) caused by land vehicles belonging to or under the control of the Insured or any of his employees;
 - (b) to aircraft, spacecraft or land vehicles causing the loss;
 - (c) caused by any aircraft or spacecraft when being taxied or moved inside or outside of buildings.
- D. Smoke: the term smoke means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability hereunder for any cumulative damage.
- E. Leakage from Fire Protective Equipment: the term Leakage from Fire Protective Equipment means the leakage or discharge of water or other substances from within the equipment used for fire protection purposes for the premises described on the Declarations Page or for adjoining premises and loss or damage caused by the fall or breakage or freezing of such equipment.
- F. Windstorm or Hail: there shall in no event be any liability hereunder for loss or damage.
- (a) to the interior of the buildings insured or their contents unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
 - (b) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslip.

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

Active Data Processing Media means all forms of covered data, program or instruction vehicles employed in the insured's data processing operations except all UNUSED property.

Sewer Backup means:

- (a) Water which backs up through septic tanks.
- (b) Water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or other openings in such sidewalks, driveways, foundations, walls or floors.

All other terms and conditions remain unchanged.

Commercial Property Endorsement

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Equipment Breakdown Inclusion Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM

1. It is agreed that under **Coverage A, 2. Property Not Covered**, the following is deleted from the policy in its entirety.
 - o. Any boiler, including the piping and equipment connected, which contains steam or water under steam pressure (except tanks) having an internal diameter of 610 millimeters (24 inches) or less used for the storage of hot water for domestic use, caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to:
 - i. Manually portable gas cylinders;
 - ii. Explosion of natural, coal or manufactured gas;
 - iii. Explosion of gas or unconsumed fuel within a furnace or within the gas passages.
2. Under **A Coverage, 4.B. Coverage Extensions, b. Electronic Data Processing**, the following are amended as outlined below:
 - i. **Electronic Data Processing Equipment and Other Electronic and Electrical Equipment Used in Your Business.** We will extend the insurance that applies to your **business personal property** up to the sub-limit shown for Electronic Data Processing Equipment in the Declarations page to apply to loss to your **electronic data processing equipment** and other Electronic and Electrical Equipment used in your Business and that of others in your care, custody or control at a **covered location** caused by or resulting from:
 - (a) artificially generated electrical current, including electric arcing that disturbs electrical devices, appliances, or wires; or
 - (b) mechanical breakdown and machinery breakdown, including malfunction or component failure.

AND



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- iv. (b) **Theft** of any **Covered Property** (other than by your employee(s)) or willful acts causing loss to **Covered Property** by any person when such loss results from unauthorized use of your **Electronic Data Processing Equipment** and other Electronic and Electrical Equipment used in your business including **Media**, Data, **Application Software**, System Software or Source Code. This provision does not apply to **Money** and **Securities** or any other property specifically excluded in this policy.
3. It is further agreed that under **F. Exclusions**, the following are deleted from 2. We will not pay for **loss** caused by or resulting from any of the following:
- a. Artificially generated electric or electrical current (except as provided in the Additional Coverage 3. f. Interruption of Service of this Coverage Form), including electrical arcing that disturbs electrical devices, appliances, or wires. But if **loss** by fire results, we will pay for that resulting **loss** up to the applicable Limit of Insurance.

AND

- f. We will not pay for **loss** caused directly by explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by you, unless fire ensues and then only for the **loss** caused directly by such ensuing fire:
- (1) 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;
 - (2) piping and apparatus or parts thereof **normally** containing steam or water under steam pressure from an external source and while under such pressure;
 - (3) other vessels and apparatus and pipes connected therewith while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure but this exclusion does not apply to **loss** resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimeters (24 inches) or less used for the heating and storage of hot water for domestic use;
 - (4) moving or rotating machinery or parts thereof;
 - (5) any vessels and apparatus and pipes connected while undergoing pressure test, but this exclusion does not apply to other property insured under this Coverage Form that has been damaged by such explosion;
 - (6) gas turbines.

All other terms and conditions remain unchanged.

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Employment Related Practices Exclusion Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

- A. Under **SECTION I – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Item 2. Exclusions**, the following exclusion is added:

This insurance does not apply to:

Bodily injury to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution 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 (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

- B. Under **SECTION I – COVERAGES, COVERAGE B. Personal and Advertising Injury Liability, Item 2. Exclusions**, the following exclusion is added:

This insurance does not apply to:

Personal and advertising injury to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or

Commercial General Liability Endorsement

Policy Number:

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- (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) 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 (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

All other terms and conditions remain unchanged.

CGL 00 031 CE 062015

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
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Independent Contract Employee Inclusion Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is hereby understood that Item 2. a. of SECTION II – WHO IS AN INSURED is deleted and replaced by the following:

- a. Your **volunteer workers**, or individuals retained as Contract Employees, only while performing duties related to the conduct of your business, or your **employees**, other than either your executive officers and directors (if you are an organization other than a partnership or joint venture), or to your managers (if you are limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these **employees** or **volunteer workers** are insureds for:
- (1) **Bodily injury** or **personal and advertising injury** to you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-**employee** while in the course of his or her employment; or performing duties related to the conduct of your business, or to your other **volunteer workers** while performing duties related to the conduct of your business; or
 - (2) **Bodily injury** or **personal and advertising injury** to the spouse, child, parent, brother or sister of that co-**employee** or **volunteer worker** as a consequence of Paragraph (1) above; or
 - (3) **Bodily injury** or **personal and advertising injury** for which there is any obligation to share damages with or repay someone else who must pay damages because of injury described to Paragraphs (1) or (2) above; or
 - (4) **Bodily injury** or **personal and advertising injury** arising out of his or her providing or failing to provide professional health care services; or
 - (5) **Property damage** to property owned or occupied by or rented or loaned to, in the care or custody of, or over which physical control is being exercised for any purpose by your **employees**, **volunteer workers**, any partner or member (if you are a partnership, limited liability partnership or joint venture), or any member (if you are a limited liability company).

All other terms and conditions remain unchanged.

Commercial General Liability Endorsement

Policy Number:

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(PDAC)**

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Effective Date:

AS PER CERTIFICATES ON FILE
WITH INSURER

Policy Period:

AS PER CERTIFICATES ON FILE
WITH INSURER

Net Protect Essential Endorsement

THIS POLICY IS SUBJECT TO THE FOLLOWING ENDORSEMENT.

NAMED INSURED AND MAILING ADDRESS

Item 1 Prospectors & Developers Association of Canada
(PDAC)

Item 2. Endorsement Premium: \$ 0

Item 3. Endorsement Period: From: **AS PER CERTIFICATES ON FILE WITH INSURER**
12:01 a.m. standard time at the address stated in Item 1.

Item 4. Retroactive Date: **AS PER CERTIFICATES ON FILE WITH INSURER**

Item 5. Limits of Insurance and Deductible:

Each Claim:	\$ 25,000	damages and claim expenses
In the Aggregate:	\$ 25,000	damages and claim expenses
Outsourced Network Claim		
In the Aggregate:	25000	damages and claim expenses
Regulatory Expenses Limit of Insurance:	25000	
Deductible:	\$ 1,000	each claim damages and claim expenses



Policy Number:

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NetProtect Essential[®]

NETWORK SECURITY AND PRIVACY LIABILITY ENDORSEMENT

THIS INSURANCE IS WRITTEN ON A **CLAIMS** MADE BASIS AND PROVIDES COVERAGE FOR THOSE **CLAIMS** WHICH ARE THE RESULT OF **WRONGFUL ACTS** HAPPENING SUBSEQUENT TO THE RETROACTIVE DATE STATED ON THE DECLARATIONS AND WHICH ARE FIRST MADE AGAINST THE INSURED DURING THE ENDORSEMENT PERIOD AND REPORTED TO US WHILE THIS ENDORSEMENT IS IN FORCE. NO COVERAGE EXISTS FOR **CLAIMS** MADE AGAINST AN INSURED AFTER THE END OF THE ENDORSEMENT PERIOD UNLESS, AND TO THE EXTENT, AN EXTENDED REPORTING PERIOD APPLIES. **CLAIM EXPENSES** REDUCE THE LIMIT OF INSURANCE AND ARE SUBJECT TO A DEDUCTIBLE.

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

Throughout this endorsement the words **you** and **your** refer to the Named Insured shown in the Declarations for this endorsement, and any other person or organization qualifying as a Named Insured under this endorsement. The words **we**, **us** and **our** refer to the Company providing this insurance.

The word **Insured** means any person or organization qualifying as such under WHO IS AN INSURED (Section II).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section VI)

I. COVERAGE

A. Insuring Agreement

1. We will pay those sums in excess of the deductible that the Insured becomes legally obligated to pay as **damages** as a result of a **wrongful act** that results in a **claim** alleging **network damage**, violation of any **security breach notice law** or **privacy injury and identity theft**, provided that:

- a. The **claim** is both first made against an Insured during the endorsement period and reported by an Insured to us while this endorsement is in force, in accordance with paragraph 3. below, during the endorsement period or the Extended Reporting Period (if applicable);
- b. The **claim** is for a **wrongful act** committed on or subsequent to the retroactive date, if any, shown in the Declarations for this endorsement, and prior to the end of the endorsement period;
- c. The Insured did not give notice to a prior insurer of any such **wrongful act** or **related wrongful act**; and
- d. Prior to the effective date of this endorsement or the first such endorsement issued and continuously renewed by us, no Insured knew, or could reasonably have expected, that such **wrongful act** or **related wrongful act** would give rise to a **claim**.

Subject to the Limit of Insurance, we will also pay all **claim expenses**. The amount we will pay for **damages** and **claim expenses** is limited as described in Section III - **Limits Of Insurance**.

2. Supplementary Payments for Regulatory Expenses

Subject to the Regulatory Expense Limit of Insurance and the Aggregate Limit of Insurance as set forth in the Declarations for this endorsement, we will reimburse you for all reasonable and necessary fees, costs and expenses incurred by you during the endorsement period, and consented to by us (such consent not to be unreasonably withheld), in order to effect compliance with:

- a. a **security breach notice law**;
- b. a statute or regulation referenced under the definition of **privacy injury and identity theft** where the Named Insured has been notified of an actual or alleged breach of such law by a regulatory agency.

This limit is part of, and not in addition to, the Aggregate Limit of Insurance.

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3. Defense and Settlement

a. Defense

We have the right and duty to defend all covered **claims**. We have the right to appoint counsel and to make such investigation and defense of a **claim** as we deem necessary. Our obligation to defend any **claim** or pay any **damages** or **claim expenses**, shall be completely fulfilled and extinguished if the Limit of Insurance has been exhausted.

b. Settlement

We shall not settle a **claim** without your consent. If you refuse to consent to a settlement or compromise recommended by us and acceptable to the claimant, then the applicable Limit of Insurance under this endorsement shall be reduced to the amount for which the **claim** could have been settled plus all **claim expenses** incurred up to the time we made our recommendation.

No other obligation or liability to pay sums or perform acts or services is covered.

4. When a Claim is Deemed Made

A **claim** shall be deemed made on the earliest date when notice of such **claim** is received and recorded by an Insured or by us, whichever comes first.

More than one **claim** involving the same **wrongful act** or **related wrongful acts** shall be considered as one **claim** which shall be deemed made on the earlier of:

- a. the date on which the earliest such **claim** was first made; or
- b. the first date valid notice was given by an Insured to us under this endorsement or under any prior endorsement of any **wrongful act** or any **related wrongful act**.

B. Exclusions

This insurance does not apply to any **claim** based on or arising out of:

1. Pollution

- a. The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**;
- b. Any nuclear reaction, radiation or contamination;
- c. 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**, nuclear reaction, radiation or contamination; or
- d. By or on behalf of a governmental authority for 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**, nuclear reaction, radiation or contamination;

2. War

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

3. Governmental Actions

any:

- a. **unauthorized access**, **electronic infection** or a **denial of service attack** or other attack of your **network** by a domestic or foreign governmental authority; or
- b. action or order by any domestic or foreign law enforcement, administrative, regulatory or judicial bodies or other governmental authority, to ban, limit or restrict access to intercept, confiscate, monitor or analyze your **network** or any

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data, software or other information stored or processed on, or transmitted to or from, your **network**, whether authorized by you or not, including but not limited to interception, monitoring, or analysis by CCIS, RCMP, or other policy or other enforcement agency NSA, CIA or FBI, or under Foreign Intelligence Surveillance Act, the USA Patriot Act or any other domestic or foreign law, regulation or order;

4. **Bodily Injury and Property Damage**

bodily injury or **property damage**, except that this exclusion does not apply to the wrongful infliction of emotional distress arising out of **privacy injury and identity theft**;

5. **Contractual Liability**

- a. your actual or alleged liability under any oral or written contract or agreement, including but not limited to express warranties or guarantees; or
- b. liability of others assumed by you under any oral or written contract or agreement.

Provided, however, this exclusion does not apply to liability the Insured would have in the absence of the contract or agreement;

6. **Over-Redemption**

price discounts, prizes, awards, coupons or any other valuable consideration given in excess of the total contracted or expected amount;

7. **Guarantees, Representations and False Advertising**

the inaccurate, inadequate or incomplete description of the price of goods, products or services or failure of goods, products or services to conform with an advertised quality or performance, or your cost guarantees, cost representations, contract price, estimates of probable costs or cost estimates being exceeded, intentional misrepresentation in advertising, false advertising or unfair or deceptive business practices;

8. **Risk Control Self Assessments**

the failure to implement, maintain, enforce or follow, in whole or part, any Risk Control identified in the Risk Control Self Assessment questions set forth in the Application;

9. **Project Planning**

project planning, including but not limited to, mistakes in determining capacity needs;

10. **Software**

the inability to use or lack of performance of software programs:

- a. Due to expiration, cancellation, withdrawal or failure to maintain or support;
- b. That have not yet been released from their development stage, passed all test runs or proven successful in applicable daily operations; or
- c. That result from the Insured's modification of software programs in violation of any software license agreement, including but not limited to, violation of license provisions regarding modification that invalidate a warranty;

11. **Fraudulent Acts**

any dishonest, fraudulent, criminal or malicious act, error or omission or intentional wrongdoing or any intentional or knowing violation of any federal, state or other law or regulation, whether domestic or foreign, or any gaining of any profit or advantage to which the Insured was not legally entitled, if committed, attempted, or allegedly committed or attempted by you; provided, however, that we shall provide a defense for such **claim** until it is determined in a final adjudication by a judge, jury or arbitrator that such act, error, omission or violation occurred, at which time you shall reimburse us for any **damage** or **claim expenses** paid by us in connection with such **claim**;

12. **Video Game Property**

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any theft of computer or video game points, earnings, awards or other intangible property related to computer or video games;

13. Service Interruptions

- a. Service interruption by or of any entity that provides third parties with access to the **internet** any telecommunications service provider or any application service provider; or
- b. Partial or total electrical failure including electrical power interruption, surge, brownout or blackout; or interruptions or outages to any other utilities or elements of infrastructure, including gas, water, telephone (on-line, wireless or other), cable or satellite services;

including, but not limited to, planned outages or reductions in service involving items identified in subsections **1.** and **2.** above;

14. Intentional Torts

any false arrest, detention, imprisonment, malicious prosecution, wrongful entry or eviction, trespass, eavesdropping or other invasion of the right of private occupancy;

15. Liability as Director or Officer

any breach of any duty which a director or officer owes to a corporation or other legal entity for which such director or officer serves or by which he is employed.

In addition, this Insurance does not apply to any **claim** by or on behalf of or for the benefit of:

16. Owned Entity

any entity:

- a. which is operated, managed, or controlled by **you**;
- b. in which **you** have an ownership interest in excess of 49%;
- c. which wholly or partly owns, operates, or manages **you**;

17. Licensing Organizations

Or involving any licensing organization, including but not limited to ASCAP, SESAC or BMI;

18. Insured v. Insured

any Insured in any capacity except and to the extent that such **claim**

- a. is in the form of a crossclaim, third-party claim or otherwise for contribution or indemnity which is part of and results directly from a **claim** which is not otherwise excluded under this policy;
- b. is by an employee and alleges **privacy injury and identity theft** resulting from the unauthorized disclosure of such employee's **non-public personal information**;

II. WHO IS AN INSURED

You are an Insured. In addition, the following persons or entities are Insureds:

- A. any person who was, is or becomes your partner, officer, director, member, manager or employee but solely for **wrongful acts** that occur while such person is acting on your behalf;
- B. Any organization you newly acquire or form, other than a joint venture and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However, coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier. For coverage to continue beyond the first 90 days, the following conditions apply:
 1. within 90 days of such formation or acquisition, you must provide us with full particulars of such newly acquired or formed entity;

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2. after receipt of such notice, we must agree to endorse this policy to insure such newly acquired or formed entity; and
3. you must pay the additional premium, if any, and agree to any amendment of the provisions of this policy by reason of such formation or acquisition.

Coverage exists for **claims** made against a newly acquired or formed entity only if, prior to the acquisition date or formation date, none of your officers, directors, principals, partners, or insurance managers of such newly acquired entity knew of any act, error, omission, or event that could reasonably be expected to become the basis of that **claim**.

III. LIMITS OF INSURANCE AND DEDUCTIBLE

- A. The Limits of Insurance shown in the Declarations for this endorsement and the rules below fix the most we will pay regardless of the number of:
 1. Insureds;
 2. **claims** made; or
 3. persons or organizations making **claims**.
- B. The Aggregate Limit shown in the Declarations for this endorsement is the most we will pay for the sum of **damages** and **claim expenses** for all **claims** to which this insurance applies.
- C. Subject to **B.** above, the Each Claim Limit shown in the Declarations for this endorsement is the most we will pay for all **damages** and **claim expenses** arising out of any one **claim**.
- D. Subject to **C.** above, the, **Outsourced Network Claim** limit set forth in the Declarations for this endorsement is the most we will pay for all **damages** and **claim expenses** for all **Outsourced Network Claims** in the aggregate. This limit is part of, and is not in addition to, the Aggregate Limit of Insurance.
- E. Each payment we make for **damages** or **claim expenses** reduces the Limits of Insurance.
- F. **Regulatory Expenses**

We will reimburse you for all regulatory expenses as set forth in Section I, Paragraph **A.2**, up to the **Regulatory Expense Limit of Insurance** set forth in the Declarations for this endorsement. This payment is a sublimit and is part of and not in addition to the aggregate Limit of Insurance stated in the Declarations for this endorsement. There is no deductible applicable to such regulatory expenses.

G. Deductible

Our obligation under this coverage to pay **damages** and **claim expenses** applies only to the sums in excess of any deductible amount stated in the Declarations for this endorsement. The deductible amount will be the amount stated in the Declarations for this endorsement and is applicable to each **claim**.

We have no obligation to pay all or any portion of any applicable Deductible. Should we, in our sole discretion, pay any part or all of the deductible amount to effect settlement of any **claim**, you will, upon notification, promptly reimburse us for such deductible amount as has been paid by us.

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the endorsement period shown in the Declarations, unless the endorsement 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.

IV. CONDITIONS

A. Duties in the Event of a Claim

1. As a condition precedent to the obligations of the Insurer under this policy, the Insured must give us written notice as soon as practicable during the policy period, or any Extended Reporting Period, if applicable, of any **claim** made against the Insured.
2. The Insured must:

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- a. immediately forward all documents received in connection with the **claim** to us;
- b. fully cooperate with us or our designee in the investigation, the making of settlements, the conduct of suits or other proceedings, or enforcing any right of contribution or indemnity against another who may be liable to the Insured in connection with a **claim**;
- c. attend depositions, hearings and trials;
- d. assist in securing and giving evidence obtaining the attendance of witnesses; and
- e. refuse, except at the Insured's own cost, to admit any liability, assume any **damages**, voluntarily make any payments, or incur any **claim expenses**.

B. Duties in the Event of a Potential claim

If, during the endorsement period, the Insured becomes aware of any act or omission that may reasonably be expected to be the basis of a **claim** against the Insured, the Insured must give written notice to us as soon as practicable prior to the expiration of the endorsement period. Such notice must state the reasons for anticipating a **claim**, with full particulars, including but not limited to:

1. The names of any potential claimants and a description of the act or omission which forms the basis of the potential **claim**;
2. The identity of the specific Insureds allegedly responsible for such specific act or omission;
3. The consequences which have resulted or may result from such specific act or omission;
4. The nature of the potential monetary **damages** or non-monetary relief which may be sought in consequence of such specific act or omission; and
5. The circumstances by which the Insureds first became aware of such **wrongful act**.

If such notice is given, then any **claim** that is subsequently made against an Insured and reported to us shall be deemed to have been made at the time such written notice was received by us. For purposes of a **security breach** which may reasonably give rise to a future **claim**, as soon as practicable means no later than twenty-four hours after discovering such **security breach**.

Until the date a **claim** is made, we may pay for all costs or expenses the Insured incurs, at our sole discretion, as a result of investigating a potential **claim** that the Insured reports in accordance with this Paragraph , **Notice of Potential Claim**.

C. Legal Action Against Us

No person or organization has a right under this policy:

1. To join us as a party or otherwise bring us into a **claim** against an Insured; or
2. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured obtained after an actual trial, but we will not be liable for **damages** that are not payable under the terms of this endorsement or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the Insured and the claimant or the claimant's legal representative.

D. Application

The Insureds represent and acknowledge that the statements contained on the Declarations for this endorsement and in the **application**, and any materials submitted or required to be submitted therewith (all of which shall be maintained on file by us and be deemed attached to and incorporated into this policy as if physically attached), are your representations, are true and: (i) are the basis of this endorsement and are to be considered as incorporated into and constituting a part of this endorsement; and (ii) shall be deemed material to the acceptance of this risk or the hazard assumed by us under this endorsement. This endorsement is issued in reliance upon the truth of such representations. This endorsement shall be null and void if the Application contains any misrepresentation or omission made with the intent to deceive, or which materially affects either the acceptance of the risk or the hazard assumed by us under the endorsement.

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E. Transfer Of Rights Of Recovery Against Others To Us

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

F. Notice to or Knowledge of Broker

Notice to or knowledge possessed by any broker or by any other person shall not effect a waiver or a change in any part of this endorsement or prohibit us from asserting any right under the provisions of this endorsement, nor shall the terms of this endorsement be waived or changed except by written endorsement issued to form a part of this endorsement.

G. Notice of Material Change

You agree to notify us as soon as possible, but in no event later than 30 days after a material change, of any such material change to your business or **network**, including without limitation, any material change with respect to your answers in the application, the nature, volume, value or sensitivity of the information stored, processed or transmitted on your **network**, your ability to maintain, implement, follow and enforce any Risk Control identified in the Risk Control Self Assessment questions set forth in the Application, or the nature or scope of your business activities. We reserve the right to re-underwrite this endorsement and re-price premiums based on these changes. In the event that you fail to notify us of a material change as set forth above, and a **claim** results from that material change, we reserve the right to deny coverage of any such **claim**.

H. Company Authorization

The first Named Insured shown in the Declarations for this endorsement will act on behalf of the Insureds with respect to giving of all notice to us, the receipt of notices from us, the payment of the premiums, the receipt of any return premiums that may become due under this endorsement, and the acceptance of endorsements.

I. Assignment

Assignment of interest under this endorsement shall not bind us unless its consent is endorsed to this endorsement.

J. Premiums

1. The premium shown in the Declarations for this endorsement was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this endorsement, we will compute the premium in accordance with our rates and rules then in effect.
2. With our consent, you may continue this endorsement in force by paying a continuation premium for each successive one-year period. The premium must be:
 - a. Paid to us prior to the anniversary date; and
 - b. Determined in accordance with Paragraph 1. above.

Our forms then in effect will apply. If you do not pay the continuation premium, this endorsement will expire on the first anniversary date that we have not received the premium.

3. Undeclared exposures or change in your business operation, acquisition or use of locations may occur during the endorsement period that are not shown in the Declarations for this endorsement. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

V. EXTENDED REPORTING PERIOD

A. We will provide one or more Extended Reporting Periods, as described below, if:

1. This endorsement is canceled or not renewed by either party for any reason except non-payment of the premium; or
2. We renew or replace this endorsement with insurance that:
 - a. Has a Retroactive Date later than the date shown in the Declarations of this endorsement; or
 - b. Does not apply to **damages** on a claims-made basis.

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- B.** Extended Reporting Periods do not extend the endorsement period or change the scope of coverage provided. They apply only to **claims** made against an Insured and reported to us during the Extended Reporting Period for **wrongful acts** that occur after the Retroactive Date shown in the Declarations for this endorsement and before the end of the endorsement period. Once in effect, Extended Reporting Periods may not be canceled.
- C.** An Automatic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the endorsement period and lasts for 60 days after the endorsement period. **Claims** first made against an Insured and reported to us during the Automatic Extended Reporting Period in accordance with Condition **A. DUTIES IN THE EVENT OF A CLAIM** will be deemed to have been reported on the ending date of this endorsement.

The Automatic Extended Reporting Period will not reinstate or increase the Limits of Insurance.

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

- D.** A Supplemental Extended Reporting Period is available, but only by an endorsement and for an extra charge. This supplemental period, if purchased, will run concurrently with the automatic Extended Reporting Period set forth in paragraph **C.** above.

You must give us a written request for the endorsement within 60 days after the end of this endorsement period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

The Supplemental Extended Reporting Period will not reinstate or increase the Limits of Insurance.

We will determine the additional premium in accordance with our rules and rates.

VI. DEFINITIONS

Application means all signed applications and supplemental applications for this endorsement and for any policy providing the same or similar coverage in an uninterrupted series of endorsements or policies issued by us or any entity controlling, controlled by or under common control with us, of the insurer of which this endorsement is a renewal or replacement, including but not limited to, any materials submitted or required to be submitted therewith.

Bodily injury means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

Claim means:

1. a written demand for monetary or non-monetary relief; or
2. a civil adjudicatory proceeding or arbitration against an Insured commenced by the filing of a complaint, indictment or similar document, including any appeal therefrom.

Claim does not include any demand, proceeding or other matter, brought by any governmental or regulatory authority, including but not limited to any regulatory or administrative action, instituted by, on behalf of, or for the benefit of any federal, state or local government agency, whether domestic or foreign.

Claim expenses means:

1. reasonable and necessary fees charged by attorneys designated by us or by you with our advance written consent in defense of any claim; and
2. all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **claim** if incurred by us or by you with our advance written consent, including the costs of post-judgment interest, premiums for any appeal bond, attachment bond or similar bond, but without any obligation of us to apply for or furnish any such bond.

Computer virus means unauthorized computer code that is designed and intended to transmit, infect and propagate itself over one or more **networks**, and cause:

1. computer code or programs to perform in an unintended manner;
2. the deletion or corruption of electronic data or software; or
3. the disruption or suspension of a **network**.

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Damages means civil awards, settlements and judgments (including any award of pre-judgment interest) which the Insureds are legally obligated to pay as a result of a covered **claim**. **Damages** shall not include:

1. The return or restitution of the Insured's profits, royalties, taxes, fees, expenses or costs.
2. Criminal, civil, administrative or regulatory relief, fines or penalties;
3. Punitive or exemplary damages or the multiplied portion of any multiple damages award (such as, but not limited to, treble damages);
4. Any amounts for which there is no legal recourse against you including those which you are not legally obligated to pay;
5. Injunctive or declaratory relief;
6. Matters which are uninsurable as a matter of law; or
7. Plaintiff's attorney fees or expenses associated with items 1 through 6 above.

Denial of service attack means an attack executed over one or more **networks** or the **internet** that is specifically designed and intended to disrupt the operation of a **network** and render a **network** inaccessible to authorized users.

Electronic infection means the transmission of a **computer virus** to a **network**, including without limitation, such transmission to or from your **network**.

Electronic information damage or theft means:

The unauthorized access to, destruction, addition to, deletion, alteration, removal, disclosure or copying of, any:

1. Third-party's information residing on your **network**;
2. Information residing on the **network** of any third party.

Internet means the worldwide public network of computers as it currently exists or may be manifested in the future, but **internet** does not include your **network**.

Network means a party's local or wide area network owned or operated by or on behalf of or for the benefit of that party; provided, however, **network** shall not include the **internet**, telephone company networks, or other public infrastructure network.

Network Damage means:

1. the unscheduled and unplanned inability of an authorized user to gain access to a **network**.
2. **electronic information damage or theft**.
3. The suspension or interruption of any **network**;
4. **electronic infection**;
5. **denial of service attack**.

Non-public personal information means personal information not available to the general public from which an individual may be identified, including without limitation, an individual's name, address, telephone number, social security number, account relationships, account numbers, account balances, and account histories.

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

Outsourced Network Claim means a **claim** arising out of a **security breach** on any part of your **network** that is operated by a third party on your behalf.

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

Privacy injury and identity theft means any unauthorized disclosure of, inability to access, or inaccuracy with respect to, **non-public personal information** in violation of:

1. your **privacy policy**; or
2. any federal, provincial, foreign or other law, statute or regulation governing the confidentiality, integrity or accessibility of **non-public personal information**, including but not limited, to Personal Information Protection and Electronic Documents Act or any similar provincial legislation, the Health Insurance Portability and Accountability Act of 1996, Gramm-Leach-Bliley Act, Children's Online Privacy Protection Act, or the EU Data Protection Act or similar law.

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Privacy policy means your policies in written or electronic form that:

1. govern the collection, dissemination, confidentiality, integrity, accuracy or availability of **non-public personal information**; and
2. you provide to your customers, employees or others who provide you with **non-public personal information**.

Property damage means:

1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
2. Loss of use of tangible property that is not physically damaged which is caused by an **occurrence**.

Tangible property does not include electronic data.

As used in this definition, electronic data means information, facts or programs in digital form stored, processed or transmitted on or by a **Network** or computing devices or digital storage media connected thereto.

Related claims mean all **claims** based on or arising out of a single **wrongful act** or any **related wrongful acts**.

Related wrongful act mean all **wrongful acts** that are temporally, logically or causally connected by any common fact, circumstance, situation, transaction, event, advice or decision.

Retroactive Date means the date set forth in Item 1. of the Declarations for this endorsement.

Security Breach means the failure of your **network** hardware, software, firmware, the function or purpose of which is to:

1. identify and authenticate parties prior to accessing your network;
2. control access to your network and monitor and audit such access;
3. protect against **computer viruses**;
4. defend against **denial of service attacks** upon you or co-option of your network to perpetrate a **denial of service attack**;
5. ensure confidentiality integrity and authenticity of information on your **network**.

Security breach notice law means any statute or regulation that requires an entity storing **non-public personal information** on its **network** to provide notice to specified individuals of any actual or potential **security breach** with respect to such **non-public personal information**, including but not Sections 1798.29 and 1798.82 - 1798.84 of the California Civil Code (formerly S.B . 1386) or any similar legislation.

Unauthorized access means any accessing of your **network** or information residing on your **network** by unauthorized persons;

Wrongful act means any actual or alleged error, omission, neglect or breach of duty that results in a **security breach**.

All other terms and conditions remain unchanged.

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		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Recording and Distribution of Material or Information in Violation of Law Exclusion Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following exclusion is added to **SECTION 1 – COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING LIABILITY, 2. Exclusions:**

Recording and Distribution of Material or Information in Violation of Law

Personal and Advertising Injury arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, province, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions remain unchanged.

Commercial General Liability Endorsement

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR 2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

S.E.F. No. 94 Legal Liability for Damage To Hired Automobiles Endorsement

In consideration of the premium stated, it is agreed **S.P.F. No. 6 - Standard Non-Owned Automobile Liability is extended under the subsection or subsections of the Additional Agreement listed below for which a Deductible and Limit per Occurrence is stated and no other.**

SECTION B - LEGAL LIABILITY FOR DAMAGE TO HIRED AUTOMOBILES

We agree to indemnify you against liability imposed by law or assumed by you under any contract or agreement for loss arising from the care, custody or control of "Hired Automobiles" and liability resulting from loss that is caused by:

Subsection 1 - ALL PERILS

Subsection 2 - COLLISION OR UPSET

Subsection 3 - COMPREHENSIVE (from any peril other than by collision or upset)

Loss 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 provided under Subsection 3.

Subsection 4 - SPECIFIED PERILS - Loss caused by fire, lightning, theft or attempt thereof, windstorm, earthquake, hail, explosion, riot or civil commotion, falling or forced landing of aircraft or parts, 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 that causes loss and is covered under any subsection, is excess to the stated deductible.

TWO OR MORE AUTOMOBILES

A motor vehicle and one or more trailers or semi-trailers attached thereto are held to be separate automobiles with respect to the limit of liability, including the deductible.

EXCLUSIONS

We are not liable for loss:

1. to any automobiles while personally driven by you, if you are an individual and subject to personal insurance requirements; or
2. to tires, mechanical breakdown, or by rusting, corrosion, wear and tear, freezing or explosion within the combustion chamber, unless the loss or damage is coincident with other loss covered, or is caused by fire, theft or malicious mischief covered; or
3. to any automobile while being used without the consent of the owner; or
4. to contents of trailers, rugs or robes; or
5. to tapes and equipment for use with a tape or compact disk device when detached; or
6. for any amount in excess of the limit stated in the applicable subsection and expenditures provided for in the Additional Agreements of the policy to which this endorsement is attached; or
7. under Subsection 3 and 4, for a collision loss occurring after theft by any person residing in the same premises as you, or by your employee engaged in the operation, maintenance or repair of the automobile.

ADDITIONAL AGREEMENT

We further agree to pay salvage, fire department charges and custom duties for which you are legally liable.



Commercial General Liability Endorsement

Policy Number:

Named Insured:

**Prospectors & Developers Association of Canada
(PDAC)**

MPR 2345556

S.E.F. No. 94 Legal Liability for Damage To Hired Automobiles Endorsement

Coverage Type	Deductible Per Occurrence	Limit Per Occurrence	Vehicle Type
All Perils	\$1,000	\$50,000	Vehicle Type - Private passenger and light trucks under 10,000 pounds or 4500 kg GVW only
Collision or Upset			
Comprehensive			
Specified Perils			
Total Premium			Included

CGL 00 050 CE 112004



Policy Number:

Named Insured:

**Prospectors & Developers Association of Canada
(PDAC)**

MPR 2345556

Effective Date:

AS PER CERTIFICATES ON FILE
WITH INSURER

Policy Period:

AS PER CERTIFICATES ON FILE
WITH INSURER

Silica Exclusion Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Exclusions**, the following exclusion is added:

Silica

- A. The following exclusion is added to Exclusions of Section 1 – Coverage A Bodily Injury and Property Damage Liability:
1. **Bodily Injury** arising in whole or in part out of the actual, alleged or threatened respiration or ingestion at any time of **silica**; or
 2. **Property Damage** arising in whole or in part out of the actual, alleged or threatened presence of **silica**.
- B. The following exclusion is added to Exclusions of Section 1 – Coverage B. Personal and Advertising Liability:
1. **Personal and Advertising Injury** arising in whole or in part out of the actual, alleged or threatened exposure to, or presence of **silica** at any time.

The following definition is added:

Silica: the chemical compound silicon dioxide (SiO₂) in any form, including dust that contains **silica**.

All other terms and conditions remain unchanged.

Voluntary Workers' Compensation and Employers Liability Endorsement

Policy Number:

Named Insured:

Prospectors & Developers Association of Canada (PDAC)

MPR 2345556

Effective Date:

AS PER CERTIFICATES ON FILE WITH INSURER

Policy Period:

AS PER CERTIFICATES ON FILE WITH INSURER

Limitation to Persons Domiciled in Canada Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Part One – Workers Compensation

Coverage afforded shall not apply to persons domiciled outside of Canada

Part Two – Employers Liability

Under **Exclusions**, the following exclusion is added:

7. persons domiciled outside of Canada

All other terms and conditions remain unchanged.

VWC 00-003 CE 112005

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Contractors Equipment Enhancement Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CONTRACTORS EQUIPMENT COVERAGE FORM

A. The following are deleted from A. Coverage: 2. **Property Not Covered:**

- c. Property while airborne;
- f. Property while located underground, in caissons, underwater or on offshore rigs

B. The following are amended under A. Coverage, **5. Coverage Extensions:**

a. Equipment Loaned To Others

- (1) If Equipment Loaned to Others is shown as INCLUDED in the Declarations, we will pay for direct physical loss as a result of a Covered Cause of Loss to Equipment Loaned to Others.

C. The following is added to **F. Additional Conditions**

7. Sue and Labour

It is the duty of the insured, in the event that any Covered Property is lost, to take all reasonable steps in the recovery of such property. We shall contribute pro rata towards any reasonable and proper expenses in connection with the loss according to the interests of the parties. In no event shall the insurers pay more than 25% of the items insured values for Sue and Labour.

All other terms and conditions remain unchanged.

Commercial Inland Marine Endorsement

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR2345556
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Effective Date:
AS PER CERTIFICATES ON FILE
WITH INSURER

Policy Period:
AS PER CERTIFICATES ON FILE
WITH INSURER

Locked Vehicle Warranty Endorsement

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:
CONTRACTOR'S EQUIPMENT COVERAGE FORM.

It is warranted that this Policy does not cover **loss** or damage caused by theft of **Covered Property** while left unattended in or on any automobile or truck unless the **loss** be a direct result of violent or forceful entry (of which there shall be visible evidence) from the fully enclosed body, the doors and windows of which shall have been securely locked or from a compartment which shall have been securely locked.

Acknowledgements by the Insured

Signature:

(Authorized Representative if the Insured)

Print Name:

Date:

All other terms and conditions remain unchanged.

Named Insured:	Prospectors & Developers Association of Canada (PDAC)	Policy Number: MPR2345556
		Effective Date: AS PER CERTIFICATES ON FILE WITH INSURER
		Policy Period: AS PER CERTIFICATES ON FILE WITH INSURER

Subsea Equipment and Below the Surface Equipment

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

MISCELLANEOUS PROPERTY COVERAGE FORM

- 1) We will pay for **loss** or damage to underwater equipment, subsea equipment, below the surface equipment, watercraft and vehicles such as ROV's, AUV's and similar equipment caused by:
 - a. Latent defect(s) in the equipment but excluding any costs of correcting the latent defect;
 - b. Negligence of Masters, Officers, Crew, , Pilots or equipment operators
 - c. Negligence of repairers, charterers or hires provided that such repairers or charterers are not an insured under this Policy.
- 2) We will pay for **loss** or damage to watercraft which are being used by the insured in their normal business activity and used on site to transport people or equipment and which are 10 metres or less in length.
- 3) In no event shall the insurers pay more than the limit specified on the Statement of Values for watercraft.

The following are added to **Coverage A.** of the Miscellaneous Property Coverage Form:

4) **Replacement by Air**

Insurance is extended to reimburse the insured for the costs of air freighting replacement or damaged goods to or from suppliers, customers or repairers, even though the insured goods were not originally dispatched by airfreight.

We shall not pay more than 25% of the item's insured value, in any one occurrence.

5) **Removal of Wreck**

Insurers will indemnify the insured for the reasonable costs or expenses of, or incidental to, the removal of the wreck of the property insured under this extension provided however that:

- i. Such removal is compulsory by law; and

Commercial Inland Marine Endorsement

Policy Number:

Named Insured:

**Prospectors & Developers Association of Canada
(PDAC)**

MPR2345556

- ii. The value of all stores and materials saved as well as the value of the wreck itself, will first be deducted from such loss costs or expenses and only the balance thereof, if any, will be recoverable from the insurer.

In no event shall the insurers pay more than 25% of the items insured value for Removal of Wreck any one accident or occurrence.

6) **Hiring Charges**

Where the policy includes equipment hired in by the insured this policy extends to include continuing hiring charges that the insured may be subject to, following a claim under the Policy.

In no event shall the insurers pay more than 25% of the items insured values for Hiring charges

7) **Increased Costs**

It is agreed that if the property insured is lost or damaged beyond commercial use then the insurers will pay the insured the hire costs of an equivalent item of equipment. In the event that no item of equipment is readily available, insurers will pay an amount equal to the cost of hiring a similar item.

In no event shall the insurers pay more than 25% of the items insured values for increased costs.

8) **Employee Tools and Equipment**

We will pay for **loss** or damage to Employees tools and equipment owned by you or your employees and used in connection with your business. The most we will pay for **loss** in any one occurrence for Tools and Equipment is \$10,000.

All other terms and conditions remain unchanged.

CIM 15-002 CE 112004

CNA Canada **Travel Assistance with Portal Access**



Thank you for choosing CNA Canada Travel Assistance.

When your company purchases a CNA Canada oneworld™ policy with Voluntary Workers' Compensation, you'll have automatic access to our CNA Canada Travel Assistance. These services are provided by Europe Assistance USA, Inc. (EA), part of the largest and most experienced travel assistance organization in the world. Their services are provided to any CNA-insured traveler leaving the country for business.

When your employees travel internationally, they can access EA's Employee Service Center 24 hours a day, 365 days a year, from almost anywhere in the world. They can access the service center through the internet, fax, collect phone call or the multilingual toll free number. Wallet cards with contact information will be issued upon activation of service. When you want the security of knowing your employees abroad have access to travel assistance, 24/7/365 ... **we can show you more.®**

Lean on us when you need assistance away from home

Whether you are an exporter traveling overseas for new market opportunities or an employee going abroad to attend a trade fair, if a medical, legal or personal issue arises while you are abroad, you can count on CNA Canada Travel Assistance.

Emergency medical assistance

- **Medical Evacuation & Repatriation** – In the event of a medical emergency, EA will arrange and pay for transport under medical supervision to the nearest hospital or treatment facility. They can also help to arrange repatriation to your employee's residence for treatment. EA medical personnel will work with local attending physicians in determining the need and type of repatriation required.
- **Medical Referral/Medical Monitoring** – During a medical emergency, illness or injury, EA will establish communication with local attending physicians to gain a full understanding of the situation and to monitor the employee's condition. EA will also provide up to three names, addresses and telephone numbers of physicians, hospitals, dentists and dental clinics in the area where the valid employee is located.
- **Emergency Medical Payments** – If it is necessary to pay medical providers up front, EA can advance up to \$5,000 to cover on-site medical expenses, once funds are secured from the company, employee or family.
- **Repatriation of Remains** – In the event that an employee or family member dies while traveling, EA will arrange and pay for all necessary government authorization, including a container appropriate for transportation for the return of the remains to the employee's place of residence.
- **Replacement of Medication and Eyeglasses** – If an employee has an unexpected need for prescription medication while traveling, loses, forgets or runs out of prescription medication, EA will help your employee obtain their prescription locally. Additionally, if your employee loses their eyeglasses while traveling, EA will help them find a replacement pair.
- **Return of Traveling Companion** – If an employee's traveling companion loses previously made travel arrangements due to a delay caused by a medical emergency, EA will assist the traveling companion to make new travel arrangements. However, the payment for any travel arrangements is the responsibility of the employee.
- **Return of Dependent Children** – If any dependent children traveling with an employee are left unattended because the member is hospitalized, EA will arrange for their transportation home and arrange for a qualified escort to accompany the children, if necessary.
- **Visit of a Family Member or Friend** – If a valid employee is traveling alone and must be hospitalized for more than seven consecutive days, EA will arrange transportation for a member of the employee's family or friend to visit.

Pre-trip assistance

- **Visa, passport, and inoculation or immunization information and requirements** – EA will provide information concerning Visa, inoculation, passport or immunization requirements of the foreign countries in which Valid Employees will be traveling.
- **Cultural information and events** – EA will provide information concerning cultural information and other events, if available, in the areas in which the Valid Employee is traveling.
- **Temperature and weather conditions** – EA will provide Valid Employees with weather forecasts and temperatures for major cities around the world as well as domestic and international ski condition reports for major ski areas, if available.
- **Embassy and consular referrals** – EA will provide Valid Employees with the address and telephone number of the nearest American Consulate or Embassy, as appropriate.
- **Foreign exchange rates** – EA will provide information of foreign exchange rates between the US and available currencies. The rates are updated Monday through Friday and may vary slightly from rates posted by local financial institutions. The rates provided by EA are meant as general guidelines.
- **Travel advisories and warnings** – When requested, EA will provide travel advisories to Valid Employees as they are updated by the US State Department, if available. Also available on the web at: www.state.gov.
- **Travel agency services** – When requested, EA will provide Valid Employees with reservations and/or tickets for airlines, hotels, railways, car rental or any other travel-related services available. Travel planning services can be accessed for either business or pleasure travel.

Personal assistance

- **Emergency message relay** – Valid Employees may send and receive emergency messages toll-free 24 hours a day through the EA Customer Service Center. This service is staffed by multilingual professionals and is available to Valid Employees for contact with relatives, friends and business associates. This service offers unlimited usage as long as messages are related directly to an emergency situation.
- **Emergency travel arrangements** – EA will make new reservations for airlines, hotels and other travel Services in the event of an emergency.
- **Emergency cash** – EA will advance emergency funds to Valid Employees upon receipt of a satisfactory guarantee of reimbursement. The method of delivery of emergency funds will vary according to the Valid Employees need in a given situation. A satisfactory guarantee of reimbursement is the ability to debit a Valid Employee's credit card and then arrange for the delivery of the advance.
- **Location of lost items/luggage** – EA will assist Valid Employees in the location of lost luggage, documents and personal items. Airlines, government authorities and credit card issuers are among those who will be contacted, if necessary.
- **Legal assistance and bail** – EA will refer Valid Employees to local attorneys and will advance bail funds, where permitted by law, with a satisfactory guarantee of reimbursement. A satisfactory guarantee of reimbursement is the ability to debit a Valid Employee's credit card in the amount required and then arrange for the delivery of the advance.
- **Interpretation and translation services** – The multilingual staff at the EA Customer Service Center in Washington, D.C. will assist Valid Employees with foreign language and interpretation problems over the telephone.

Note: All third-party expenses incurred as a result of providing the above services are the responsibility of the valid employee or covered subscriber. See your oneworld™ policy for limits, definitions, conditions and disclaimers

For more information on CNA's International coverage offerings, visit www.cnacanada.ca.

One or more of the CNA insurance companies underwrite the products and services described. Information is for illustrative purposes only and is not a contract. This document is intended to provide a general overview of products and services described. Remember that only the policy can provide the actual description, terms, conditions, and exclusions. All coverages not available in all provinces. CNA, the OneWorld design, and the One Product . One Source design are registered trade-marks of CNA Financial Corporation that are used under license. © 2005 Continental Casualty Company, Toronto, Canada. PCCA3275 TAPPORAL SS 012814)



CNA Canada Travel Assistance with Portal Access

To register, please visit CNA Canada Travel Assistance portal at <https://eservices.europassistance-usa.com/sites/CNACanada> and use the following credentials:

Group ID: N2CNA

Access Code: 130714

Report any claim to CNA by calling:

Canada: (855) 262-4900

From all other locations: (240) 330-1416

* May require credit or debit card or other form of guarantee from traveler, traveler's family, traveling companion and/or traveler's company.

** CNA Canada Travel Assistance is a value-added travel assistance program provided by CNA and administered by Europ Assistance USA, Inc. The Europ Assistance Customer Service staff is not part of CNA. In case of an emergency, please call CNA Canada Travel Assistance for assistance. To receive reimbursement for a covered claim, you must also report it to CNA.

*** In all cases, the medical professional, medical facility and/or attorney suggested by EA or providing direct Services to the eligible person are not employees or agents of EA or CNA International. The final selection of the medical professional, medical facility, or legal counsel is the traveler's choice alone. Neither EA nor CNA International assume any responsibility for any medical advice or legal counsel given by the medical professional and/or attorney. Neither EA nor CNA International shall be liable for the negligence, wrongful acts or omissions of any of the legal and/or health care professionals or medical facilities providing direct Services. Nor shall EA or CNA International be liable for any loss, damage or expense, which may be sustained. The Covered Subscriber or the Valid Employee shall not have any recourse against EA nor CNA International by reason of its suggestion of, or contract with, a medical professional, medical facility and/or attorney.

