

Endorsement

Effective Date of this Change: March 31, 2022

| Named Insured and Postal Address |
|--|
| St. Matthews House and St. Matthews Children's Centre 414 Barton Street E Hamilton ON L8L2Y3 |

| Broker Information |
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| Arthur J. Gallagher Canada Limited - ANGLICAN NIAGARA PROGRAM 435 MCNEILLY RD Suite 103, STONEY CREEK ON L8E5E3 Phone: (905) 575-6809 |
| Broker 72808 |

| Policy Period | | | | | | | |
|---|-----|-------|------|----|-----|-------|------|
| From | Day | Month | Year | To | Day | Month | Year |
| | 18 | 11 | 2021 | | 18 | 11 | 2022 |
| 12:01am Standard Time at the address of the Insured as stated above | | | | | | | |

| Premium |
|---------|
| \$0.00 |

POLICY DECLARATIONS

In consideration of the payment of the premium, insurance is provided subject to the Policy Declarations, Terms and Conditions of the policy and its forms only for the coverages for which specific forms are attached and for which a specific Limit or Amount of Insurance or specific indication of coverage is stated hereunder during the specified policy period.

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Ecclesiastical Insurance Office plc's insurance business in Canada.

IN WITNESS WHEREOF, the Company has caused this policy to be signed by one of its Directors, but the same shall not be binding upon the Company until countersigned by a duly authorized representative of the Company.



Chief Agent For Canada

Countersigned

Authorized Representative

THIS POLICY CONTAINS A CLAUSE(S) THAT MAY LIMIT THE AMOUNT PAYABLE

Endorsement
Effective Date of this Change: March 31, 2022

It is hereby understood and agreed that the policy is modified as follows:

add additional insured under the D&O policy as per below effective March 31, 2022.

| Form | Version | Coverage |
|--------|----------|---|
| | | General (applicable to All Sections) |
| GA9001 | 300Jan19 | General Policy Conditions |
| GA9008 | 101Sep13 | Declaration of Emergency Endorsement |
| | | Extended Cancellation Clause |
| GA9002 | 100Sep13 | - Thirty (30) Day Cancellation Clause |
| GA9026 | 200Apr15 | Named Insured Amendment Endorsement |

| | |
|------------------------------|---------------------------|
| Location of Premises: | All Locations |
| Occupancy: | Anglican House of Worship |

| Form | Version | Coverage | Deductible | Limit of Insurance | Premium |
|--------|----------|---|------------|--------------------|---------|
| DA6030 | 200May19 | Directors and Officers Insurance Policy (Non Profit Organizations - Claims Made) | | | |
| | | Insuring Agreement (a) - each loss | | \$2,000,000 | |
| | | Insuring Agreement (b) - each loss | \$2,500 | \$2,000,000 | INCL |
| | | Insuring Agreement (c) - each loss | \$2,500 | \$2,000,000 | INCL |
| | | Insuring Agreement (d) - Employment Wrongful Act - each loss | \$5,000 | \$1,000,000 | INCL |
| | | Maximum Limit of Liability Each Policy Year (applicable to all insuring agreements) | | \$2,000,000 | |
| | | Endorsements | | | |
| DA6044 | 101May19 | Pollution Exclusion Amendment Endorsement | | \$100,000 | INCL |

THIS POLICY CONTAINS A CLAUSE(S) THAT MAY LIMIT THE AMOUNT PAYABLE

GENERAL POLICY SECTION

1. INSURER

Wherever the words 'Insurer', 'company', 'we', 'our', 'us' appear on the Declarations Page or in the pages attached thereto, they refer to the Ecclesiastical Insurance Office plc'.

2. INTERPRETATION

The Declarations, and the sections specified therein as being insured, shall be deemed to be incorporated in and form part of this policy and the expression "this policy" wherever used in this contract shall be read as including the said Declarations and sections. Conditions may be modified or supplemented by the riders or endorsement attached.

3. LIBERALIZATION

If, during the period that insurance is in force under this policy, any authorized endorsement or filed rules or regulations affecting it are revised by statute or otherwise so as to broaden the insurance without additional premium charged, such extended or broadened insurance shall inure to the benefit of the Insured hereunder.

4. CREDIT FOR EXISTING INSURANCE

Notice is hereby accepted that there may be 'other insurance' on some of the properties insured under this policy and provision for such 'other insurance' will be granted where the Insurer is provided with full details regarding such 'other insurance' and the appropriate limitation of liability is noted.

If at the time of any destruction of or damage to any property hereby insured such 'other insurance' shall be in force or there be any other insurance effected by or on behalf of the Insured covering any of the property destroyed or damaged, the liability of the Insurer hereunder shall be limited to its rateable proportion of such destruction or damage.

5. PRECAUTIONS

The Insured shall cause to be taken all reasonable precautions to prevent accidents and illness and shall exercise reasonable care in seeing that all statutory and other obligations and regulations imposed by any authority are duly observed and complied with and shall maintain the premises and all works machinery and plant in sound condition and if any defect be discovered by complaint or otherwise the Insured shall take immediate steps to remedy the same, and in the meantime shall cause such temporary precautions to be taken as the circumstances may require.

6. GENERAL INSURING AGREEMENT

In consideration of the premium specified and the statements contained in the Declarations and of the Conditions and Stipulations contained herein and in the documents attached hereto, the Insurer agrees to insure the Insured named in the Declarations to the extent provided by the documents attached, subject to the limit of insurance applying, for the specified Policy Period.

GENERAL POLICY CONDITIONS

Unless stated otherwise, this Section applies to all sections of this policy except the Non-Owned Automobile Insurance coverage of the Comprehensive General Liability Section.

A. POLICY CONDITIONS APPLICABLE TO ALL PROVINCES AND TERRITORIES EXCEPT QUEBEC, ALBERTA, BRITISH COLUMBIA AND MANITOBA (IBC 4099 - 06.2012)

The following policy conditions, as modified or supplemented by the attached forms or endorsements, apply to all perils insured by this Policy (including fire).

STATUTORY CONDITIONS

1. MISREPRESENTATION

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

2. PROPERTY OF OTHERS

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

3. CHANGE OF INTEREST

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

4. MATERIAL CHANGE

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

5. TERMINATION

- (1) This contract may be terminated,
 - (a) by the Insurer giving to the Insured written notice of termination at least:
 - (i) Five (5) days before the effective date of termination if personally delivered;
 - (ii) Fifteen (15) days before the effective date of termination if the contract is terminated by registered mail for non-payment of premium; or
 - (iii) Thirty (30) days before the effective date of termination if the contract is terminated by registered mail for any other reason.
 - (b) by the Insured at any time on request.
- (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 proportionate premium for the expired time, subject to 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) When this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

- (4) The refund may be made by money, postal or express company money order or cheque payable at par.
- (5) The Fifteen (15) and Thirty (30) days mentioned in clauses (1) (a) (ii) and (iii) of this condition commence to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. REQUIREMENTS AFTER LOSS

- (1) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11;
 - (a) immediately give notice of the loss or damage 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 lost or 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 wilful act or neglect or the procurement, means or connivance of the Insured;
 - (iv) showing the amount of other insurances and the names of other Insurers;
 - (v) showing the interest of the Insured and of all others in the property with particulars of all mortgages, liens, encumbrances and other charges upon the property;
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
 - (vii) showing the place where the insured property was located at the time of loss or damage.
 - (c) if required, give a complete inventory of undamaged property showing in detail quantities, cost, actual cash value;
 - (d) if required and if practicable, produce accounts, warehouse receipts, stock lists, invoices and other pertinent records, verified by statutory declaration, as well as any relevant contracts or agreements with others.
- (2) The evidence furnished under clauses (1) (c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. FRAUD

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

8. WHO MAY GIVE NOTICE AND PROOF

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

9. SALVAGE

- (1) The Insured, in the event of any loss or damage to any insured property, shall take all reasonable steps to prevent further damage to such property and to prevent damage to other insured property, including, if necessary, removal to a secure location.
- (2) The Insurer shall contribute proportionately, according to the respective interests of the parties, towards any reasonable and proper expenses in connection with steps taken by the Insured and required under subsection (1) of this condition.

10. ENTRY, CONTROL, ABANDONMENT

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

11. APPRAISAL

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

12. WHEN LOSS PAYABLE

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

13. REPLACEMENT

- (1) The Insurer, instead of making payment, may repair, rebuild, or replace the property lost or damaged, giving written notice of its intention to do within Thirty (30) days after receipt of the proof of loss.
- (2) In that event, the Insurer shall commence to repair, rebuild, or replace the property within Forty-Five (45) days after receipt of the proof of loss, and shall proceed with all due diligence to completion of the work.

14. ACTION

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

15. NOTICE

Any written notice to the Insurer may be sent by registered mail nor delivered to the chief agency or any office of the Insurer in Canada. Written notice may be given to the Insured by letter personally delivered to the Insured or by registered mail addressed to the Insured at the Insured's latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

16. CONTRIBUTION

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

B. POLICY CONDITIONS APPLICABLE TO ALBERTA AND BRITISH COLUMBIA ONLY (IBC 4098 – 06.2012)

STATUTORY CONDITIONS

1. MISREPRESENTATION

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

2. PROPERTY OF OTHERS

The Insurer is not liable for loss or damage to property owned by a person other than the Insured unless

- (a) otherwise specifically stated in the contract; or
- (b) the interest of the Insured in that property is stated in the contract.

3. CHANGE OF INTEREST

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

4. MATERIAL CHANGE IN RISK

- (1) The Insured must promptly give notice in writing to the Insurer or its agent of a change that is
 - (a) material to the risk; and
 - (b) within the control and knowledge of the Insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the Insurer may
 - (a) terminate the contract in accordance with Statutory Condition 5, or
 - (b) notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within Fifteen (15) days after receipt of the notice, pay to the Insurer an additional premium specified in the notice.
- (4) If the Insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory condition 5 (2) (a) applies in respect of the unearned portion of the premium.

5. TERMINATION OF INSURANCE

- (1) This contract may be terminated:
 - (a) by the Insurer giving to the Insured Fifteen (15) days' notice of termination by registered mail or Five (5) days' written notice of termination personally delivered, or;
 - (b) by the Insured at any time on request.
- (2) If the contract is terminated by the Insurer;
 - (a) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract; and
 - (b) the refund must accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (3) If the contract is terminated by the Insured, the Insurer must refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The Fifteen (15) day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the Insured's postal address.

6. REQUIREMENTS AFTER LOSS

- (1) On the happening of any loss or of damage to insured property, the Insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9;
 - (a) immediately give notice in writing to the Insurer;
 - (b) deliver as soon as practicable to the Insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration;
 - (i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the 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 wilful act or neglect or the procurement, means or connivance of the Insured;
 - (iv) stating the amount of other insurances and the names of other insurers;
 - (v) stating the interest of the Insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property;
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued; and
 - (vii) stating the place where the insured property was at the time of loss.
 - (c) if required by the Insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property; and
 - (d) if required by the Insurer and if practicable,
 - (i) produce books of account and inventory lists;
 - (ii) furnish invoices and other vouchers verified by statutory declaration; and
 - (iv) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

7. FRAUD

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

8. WHO MAY GIVE NOTICE AND PROOF

Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made:

- (a) by the agent of the Insured, if
 - (i) the Insured is absent or unable to give the notice or make the proof; and
 - (ii) the absence or inability is satisfactorily accounted for; or
- (b) by a person to whom any part of the insurance money is payable, if the Insured refuses to do so or in the circumstances described in clause (a) of this condition.

9. SALVAGE

- (1) In the event of loss or damage to insured property, the Insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The Insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the Insured under subparagraph (1) of this condition

10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the Insurer has:

- (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage; and
- (b) after the Insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
 - (i) without the Insured's consent, the Insurer is not entitled to the control or possession of the insured property; and
 - (ii) without the Insurer's consent, there can be no abandonment to it of the insured property.

11. IN CASE OF DISAGREEMENT

- (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the Insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until:
 - (a) a specific demand is made for it in writing; and
 - (b) the proof of loss has been delivered to the Insurer.

12. WHEN LOSS PAYABLE

Unless the contract provides for a shorter period, the loss is payable within Sixty (60) days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the Insurer.

13. REPAIR OR REPLACEMENT

- (1) Unless a dispute resolution process has been initiated, the Insurer, instead of making payment, may repair, rebuild, or replace the property lost or damaged, on giving written notice of its intention to do so within Thirty (30) days after receipt of the proof of loss.
- (2) If the Insurer gives notice under subparagraph (1) of this condition, the Insurer must begin to repair, rebuild, or replace the property within Forty-Five (45) days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

14. NOTICE

- (1) 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.
- (2) Written notice to the Insured may be personally delivered at, or sent by registered mail addressed to, the Insured's last known address as provided to the Insurer by the Insured.

C. POLICY CONDITIONS APPLICABLE TO MANITOBA ONLY (IBC 4097 – 05.2015)

STATUTORY CONDITIONS

1. MISREPRESENTATION

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

2. PROPERTY OF OTHERS

The Insurer is not liable for loss or damage to property owned by a person other than the Insured unless

- (a) otherwise specifically stated in the contract; or
- (b) the interest of the Insured in that property is stated in the contract.

3. CHANGE OF INTEREST

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

4. MATERIAL CHANGE IN RISK

- (1) The Insured must promptly give notice in writing to the Insurer or its agent of a change that is
 - (a) material to the risk; and
 - (b) within the control and knowledge of the Insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the Insurer may
 - (a) terminate the contract in accordance with Statutory Condition 5, or
 - (b) notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within Fifteen (15) days after receipt of the notice, pay to the Insurer an additional premium specified in the notice.
- (4) If the Insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory condition 5 (2) (a) applies in respect of the unearned portion of the premium.

5. TERMINATION OF CONTRACT

- (1) The contract may be terminated:
 - (a) by the Insurer giving to the Insured Fifteen (15) days' notice of termination by registered mail or Five (5) days' written notice of termination personally delivered, or;
 - (b) by the Insured at any time on request.
- (2) If the contract is terminated by the Insurer;
 - (a) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract; and

- (b) the refund must accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (3) If the contract is terminated by the Insured, the Insurer must refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The Fifteen (15) day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the Insured's postal address

6. REQUIREMENTS AFTER LOSS

- (1) On the happening of any loss of or damage to insured property, the Insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9;
 - (a) immediately give notice in writing to the Insurer;
 - (b) deliver as soon as practicable to the Insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration;
 - (i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the 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 wilful act or neglect or the procurement, means or connivance of the Insured;
 - (iv) stating the amount of other insurances and the names of other insurers;
 - (v) stating the interest of the Insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property;
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued; and
 - (vii) stating the place where the insured property was at the time of loss.
 - (c) if required by the Insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property; and
 - (d) if required by the Insurer and if practicable,
 - (i) produce books of account and inventory lists;
 - (ii) furnish invoices and other vouchers verified by statutory declaration; and
 - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

7. FRAUD

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

8. WHO MAY GIVE NOTICE AND PROOF

Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made:

- (a) by the agent of the Insured, if
 - (i) the Insured is absent or unable to give the notice or make the proof; and
 - (ii) the absence or inability is satisfactorily accounted for; or
- (b) by a person to whom any part of the insurance money is payable, if the Insured refuses to do so or in the circumstances described in clause (a) of this condition.

9. SALVAGE

- (1) In the event of loss or damage to insured property, the Insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The Insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the Insured under subparagraph (1) of this condition.

10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the Insurer has:

- (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage; and
- (b) after the Insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
 - (i) without the Insured's consent, the Insurer is not entitled to the control or possession of the insured property; and
 - (ii) without the Insurer's consent, there can be no abandonment to it of the insured property.

11. IN CASE OF DISAGREEMENT

- (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the Insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until:
 - (a) a specific demand is made for it in writing; and
 - (b) the proof of loss has been delivered to the Insurer.

12. WHEN LOSS PAYABLE

Unless the contract provides for a shorter period, the loss is payable within Sixty (60) days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the Insurer.

13. REPAIR OR REPLACEMENT

- (1) Unless a dispute resolution process has been initiated, the Insurer, instead of making payment, may repair, rebuild, or replace the property lost or damaged, on giving written notice of its intention to do so within Thirty (30) days after receiving of the proof of loss.
- (2) If the Insurer gives notice under subparagraph (1) of this condition, the Insurer must begin to repair, rebuild, or replace the property within Forty-Five (45) days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

14. NOTICE

- (1) 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.
- (2) Written notice to the Insured may be personally delivered at, or sent by registered mail addressed to, the Insured's last known address as provided to the Insurer by the Insured.

D. To the extent that the Civil Code of the Province of Quebec is applicable to this contract, the following General Conditions apply.

GENERAL CONDITIONS (IBC 2009)

This policy is subject to the Civil Code of the Province of Québec

Reference to Civil Code articles in some instances is for easier reading only and should not be construed as exact quotations.

For all coverages except where inapplicable.

1. STATEMENTS

1.1. Representation of risk (Article 2408)

The client, and the Insured if the Insurer requires it, is bound to represent all the facts known to him which are likely to materially influence an insurer in the setting of the premium, the appraisal of the risk or the decision to cover it, but he is not bound to represent facts known to the Insurer or which from their notoriety he is presumed to know, except in answer to inquiries.

The client means the person submitting an insurance application.

1.2. Material change in risk (Articles 2466 and 2467)

The Insured shall promptly notify the Insurer of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it.

On being notified of any material change in the risk, the Insurer may cancel the contract or propose, in writing, a new rate of premium. Unless the new premium is accepted and paid by the Insured within Thirty (30) days of the proposal, the policy ceases to be in force.

1.3. Misrepresentations or concealment (Articles 2410 and 2411 and 2466)

Any misrepresentation or concealment of relevant facts mentioned in section 1.1 and in the first paragraph of section 1.2 by the client or the Insured nullifies the contract at the instance of the Insurer, even in respect of losses not connected with the risk so misrepresented or concealed.

Unless the bad faith of the client or of the Insured is established or unless it is established that the Insurer would not have covered the risk if he had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium he collected bears to the premium he should have collected.

1.4. Warranties (Articles 2412)

Any increase in risk resulting from a breach of warranty suspends the coverage until accepted by the Insurer or until such breach has been remedied by the Insured.

2. GENERAL PROVISIONS

2.1. Insurable interest (Articles 2481 and 2484)

(Applicable only to property insurance)

A person has an insurable interest in a property where the loss or deterioration of the property may cause him direct and immediate damage. It is necessary that the insurable interest exist at the time of the loss but not necessary that the same interest have existed throughout the duration of the contract. The insurance of a property in which the Insured has no insurable interest is null.

2.2. Changes (Articles 2405)

The terms of this policy shall not be waived or changed except by endorsement.

2.3. Assignment (Articles 2475 and 2476)

This policy may be assigned only with the consent of the Insurer and in favour of a person who has an insurable interest in the insured property.

Upon the death or bankruptcy of the Insured or the assignment of his interest in the insurance to a co-insured, the insurance continues in favour of the heir, trustee in bankruptcy or remaining insured, subject to his performing the obligations that were incumbent upon the Insured.

2.4. Books and records

The Insurer and its authorized representatives shall have the right to examine the Insured's books and records related to the subject matter of this insurance at any time during the period of this policy and the Three (3) subsequent years.

2.5. Inspection

The Insurer and its authorized representatives shall have the right but are not obligated to make inspections of the risk, inform the Insured of the conditions found and recommend changes. Any inspections, surveys, findings or recommendations relate only to insurability and the premiums to be charged. They shall not constitute a warranty that the premises, property or operations are safe or healthful or comply with laws, codes or standards.

2.6. Currency

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

3. LOSSES

3.1. Notice of loss (Article 2470)

The Insured shall notify the Insurer of any loss which may give rise to an indemnity, as soon as he becomes aware of it. Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to compensation shall be forfeited by the Insured where such non-compliance has caused prejudice to the Insurer.

3.2. Information to be provided (Article 2471)

The Insured shall inform the Insurer as soon as possible of all the circumstances surrounding the loss, including its probable cause, the nature and extent of the damage, the location of the insured property, the rights of third parties, and any concurrent insurance; he shall also furnish him with vouchers and swear or warrant to the truth of the information.

Where, for a serious reason, the Insured is unable to fulfil such obligation, he is entitled to a reasonable time in which to do so. If the Insured fails to fulfil his obligation, any interested person may do so on his behalf.

In addition, the Insured shall forthwith send to the Insurer a copy of any notice, letter, subpoena or writ or document received in connection with a claim.

3.3. False representation (Article 2472)

Any deceitful representation entails the loss or the right of the person making it to any indemnity in respect of the risk to which the representation relates.

However, if the occurrence of the event insured against entails the loss of both movable and immovable property or of both property for occupational use and personal property, forfeiture is incurred only with respect to the class of property to which the representation relates.

3.4. Intentional Fault (Article 2464)

The Insurer is never liable to compensate for injury resulting from the Insured's intentional fault.

Where there is more than one Insured, the obligation of coverage remains in respect of those Insureds who have not committed an intentional fault.

Where the Insurer is liable for injury caused by a person for whose acts the Insured is liable, the obligation of coverage subsists regardless of the nature or gravity of that person's fault.

3.5. Notice to police (applicable to property insurance only)

The Insured must promptly give notice to the police of any loss caused by vandalism, theft or attempted theft or other criminal act.

3.6 Safeguarding and examination of property (Article 2495)
(applicable to property insurance only)

At the expense of the Insurer, the Insured must take all reasonable steps to prevent further loss or damage to the insured property and any further loss or damage resulting directly or indirectly from the Insured's failure to take such action shall not be recoverable.

The Insured may not abandon the damaged property if there is no agreement to that effect. The Insured shall facilitate the salvage and inspection of the insured property by the Insurer.

He shall, in particular, permit the Insurer and his representatives to visit the premises and examine the insured property before repairing, removing or modifying the damaged property, unless so required to safeguard the property.

3.7 Admission of liability and co-operation

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

(The following two paragraphs are applicable to liability insurance only: article 2504)

No transaction made without the consent of the Insurer may be set up against him.

The Insured shall not admit any liability nor settle or attempt to settle any claim, except at his own risk.

3.8 Right of action (Article 2502)

(applicable to liability insurance only)

The insurer may set up against the injured third person any grounds he could have invoked against the Insured at the time of the loss, but not grounds pertaining to facts that occurred after the loss: the Insurer has a right of action against the Insured in respect of facts that occurred after the loss.

4. COMPENSATION AND SETTLEMENT

4.1 Basis of settlement (Articles 2490, 2491, 2493)

(applicable to property insurance only)

Unless otherwise provided, the Insurer shall not be liable for more than the actual cash value of the property at the time of the loss as normally determined.

In unvalued policies, the amount of insurance does not make proof of the value of the insured property. In valued policies, the agreed value makes complete proof, between the Insurer and the Insured, of the value of the insured property.

If the amount of insurance is less than the value of the property the Insurer is released by paying the amount of the insurance in the event of total loss or a proportional indemnity, in the event of partial loss.

4.2 Pair and set (applicable to property insurance only)

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

4.3 Parts (applicable to property insurance only)

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

4.4 Fire insurance (Articles 2485 and 2486)

(applicable to property insurance only)

In fire insurance, the Insurer is bound to repair any damage which is an immediate consequence of fire or combustion, whatever the cause, including damage to the property during removal or that caused by the means employed to extinguish the fire, subject to the exceptions specified in the policy. The insurer is also liable for the disappearance of insured things during the fire, unless he proves that the disappearance is due to theft which is not covered.

The Insurer is not liable for damage caused solely by excessive heat from a heating apparatus or by any process involving the applications of heat where there is no fire or commencement of fire but, in an event where there is no fire, the Insurer is liable for damage caused by lightning or the explosion of fuel.

An insurer who insures a property against fire is not liable for damage due to fires or explosions caused by foreign or civil war, riot or civil disturbance, nuclear explosion, volcanic eruption, earthquake or other cataclysm.

4.5 Replacement (Article 2494)

(applicable to property insurance only)

Subject to the rights of preferred and hypothecary creditors, the Insurer reserves the right to repair, rebuild or replace the insured property. He is then entitled to salvage and may take over the property.

4.6 Time of payment (Articles 1591, 2469 and 2473)

The Insurer shall pay the indemnity within Sixty (60) days after receiving the notice of loss or, at his request, all relevant information and vouchers, provided the Insured shall have complied with all the terms of the contract.

Any outstanding premium may be deducted from the indemnity payable.

4.7 Property of others (applicable to property insurance only)

Where a claim is made as a result of loss of or damage to property not owned by the Insured, the Insurer reserves the right to pay the indemnity to the Insured or to the owner of the property and to deal directly with such owner.

4.8 Waiver

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

4.9 Limitation of actions (Article 2925)

Every action or proceeding against the Insurer under this policy shall be commenced within Three (3) years from the date the right of action has arisen.

4.10 Subrogation (Article 2474)

Unless otherwise provided, the Insurer shall be subrogated to the extent of the amount paid or the liability assumed therefore under this policy to the rights of the Insured against persons responsible for the loss except when they are members of the Insured's household. The Insurer may be fully or partly released from his obligation towards the Insured where, owing to any act of the Insured, he cannot be so subrogated.

5. OTHER INSURANCE

5.1 Property insurance (Article 2496)

The Insured who, without fraud, is insured by several insurers, under several policies, for the same interest and against the same risk so that the total amount of indemnity that would result from the separate performance of such policies would exceed the loss incurred may be indemnified by the Insurer or insurers of his choice, each being liable only for the amount he has contracted for.

No clause suspending all or part of the performance of the contract by reason of other insurance may be used against the Insured.

Unless otherwise agreed, the indemnity is apportioned among the insurers in proportion to the share of each in the total coverage, except in respect of specific insurance, which constitutes primary insurance

5.2 Liability insurance

The liability insurance provided under this policy is primary insurance except when stated to apply in excess of, or contingent upon the absence of, other insurance. When this insurance is primary and the Insured has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Insurer's liability

under this policy shall not be reduced by the existence of such other insurance. When both this insurance and other insurance apply to the loss on the same basis whether primary, excess or contingent, the Insurer shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

- Contribution by equal share
If all of such other collectible insurance provides for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss that would be payable if each insurer contributed an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.
- Contribution by limits:
If any such other insurance does not provide for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss that the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

6. **CANCELLATION** (*Articles 2477 and 2479*)

This policy may be cancelled at any time:

- (a) By mere written notice from each of the Named Insureds. Termination takes effect upon receipt of the notice and the Insured shall therefore be entitled to a refund of the excess of the premium actually paid over the short term rate for the expired time.
- (b) By the Insurer giving written notice to each Named Insured. Termination takes effect Fifteen (15) days following receipt of such notice by the Insured at his last known address and the Insurer shall refund the excess of premium actually paid over the pro rata premium for the expired time. If the premium is subject to adjustment or determination as to amount, the refund shall be made as soon as practicable.

Where one or more of the Named Insureds have been mandated to receive or send the notices provided for under paragraph (a) or (b) above, notices sent or received by them shall be deemed to have been sent or received by all of the Named Insureds.

In this Condition, the words "premium actually paid" means the premium actually paid by the Insured to the Insurer or its representative, but do not include any premium or part thereof paid to the Insurer by a representative unless actually paid to the representative, by the Insured.

7. **NOTICE**

Any notice to the Insurer may be sent by any recognized means of communication to the Insurer or its authorized representative. Notice may be given to the Named Insured by letter personally delivered to him or by mail addressed to him at his last known address.

It is incumbent upon the sender to prove that such notice was received.

ADDITIONAL POLICY CONDITIONS APPLICABLE IN ALL PROVINCES

Unless otherwise indicated, the following conditions apply to all Sections of the policy. These Conditions may be varied in the Sections or by endorsements attached to the policy.

1. **TERRITORIAL LIMITATIONS**

This policy, subject to all its terms and conditions, provides coverage only within Canada and the continental United States, except for Personal Injury Liability and Property Damage Liability insurance, for which coverage is afforded anywhere in the world provided that suit for such damages is brought within Canada or the continental United States.

2. **NOTICE TO AUTHORITIES**

Where the loss is due to malicious mischief, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction. If securities are insured under this policy the Insured shall take all reasonable means to prevent their negotiation, sale or retirement in the event of loss thereof.

3. **SUBROGATION**

The Insurer, upon making any payment or assuming liability therefore under this policy, shall be subrogated to all rights of recovery of the Insured against others and may bring action in the name of the Insured to enforce such rights. The Insured shall execute and deliver instruments and papers and do whatever is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights. Notwithstanding the foregoing, all rights of subrogation are hereby waived against any corporation, firm, individual or other interest with respect to which insurance is provided by this policy.

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

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

4. **WAIVER OR CHANGE OF CONDITIONS**

No provision or condition of this policy shall be waived or altered except by endorsement issued to form a part hereof signed by a duly authorized representative of the Insurer.

5. **INSPECTION AND AUDIT**

The Insurer or its duly authorized representative shall be permitted at all reasonable times during the term of this policy, and within a year after expiration, to inspect the Insured's premises and operations and to audit the Insured's books and records as far as they relate to the premium basis or the subject matter of this insurance. The Insurer assumes no responsibility and waives no rights by reason of such inspection or audit or the omission thereof.

6. **WAR RISK EXCLUSION**

This policy does not insure against loss, destruction or damage caused by civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

7. **LOSS CLAUSE** (not applicable to Liability Section)

Any loss under this policy does not reduce the amount of this insurance.

8. **DEDUCTIBLE CLAUSE** (not applicable to Liability Section)

Under the Property Direct Damage and Property Business Income Sections, the Insurer will be liable only for the amount by which the loss or damage under one or both sections exceeds the deductible sum stated in the Declarations in any one occurrence. In the event of a single loss involving two or more separate coverages with deductibles, the largest deductible will apply.

Under all other sections of the policy, the deductible sum specified in the Declarations will be applied separately to each such section.

9. **CANADIAN CURRENCY CLAUSE**

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

10. **NO BENEFIT TO BAILEE**

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

11. **PAIR AND SET**

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

12. **PARTS**

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

13. SUE AND LABOUR

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

14. BASIS OF SETTLEMENT

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

15. DECLARATIONS

By acceptance of this policy, the Named Insured agrees that the statements in the Declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between himself and the Insurer or any of its agents relating to this insurance.

STANDARD MORTGAGE CLAUSE WHEN APPLICABLE

A. APPLICABLE TO ALL PROVINCES EXCEPT QUEBEC: (IBC 3000 5-72)

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

IT IS HEREBY PROVIDED AND AGREED THAT:

1. BREACH OF CONDITIONS by MORTGAGOR OWNER or OCCUPANT

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

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

2. RIGHT OF SUBROGATION

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

3. OTHER INSURANCE

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

4. WHO MAY GIVE PROOF OF LOSS

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

5. TERMINATION

The term of this mortgage clause coincides with the term of the policy;

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

6. FORECLOSURE

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

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

B. APPLICABLE TO THE PROVINCE OF QUEBEC (IBC 3000Q - 05-96)

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

IT IS HEREBY PROVIDED AND AGREED THAT:

1. BREACH OF CONDITIONS by MORTGAGOR OWNER or OCCUPANT

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

PROVIDED ALWAYS that the Mortgagee shall promptly notify the Insurer (if known) of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it; and that every increase of risk (not permitted by the policy) shall be paid for by the Mortgagee - on reasonable demand - from the date such risk existed, according to the established scale of rates for the acceptance of such increased risk, during the continuance of this insurance.

2. RIGHT OF SUBROGATION

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

3. OTHER INSURANCE

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

4. WHO MAY GIVE PROOF OF LOSS

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

5. **COVERAGE PERIOD**

The term of this Mortgage Clause coincides with the term of the policy;

CANCELLATION OR AMENDMENT

PROVIDED ALWAYS that the Insurer reserves the right to cancel the policy as provided by Article 2477 of the Civil Code of Québec, but agrees that the Insurer will neither cancel nor amend the policy to the prejudice of the Mortgagee without Fifteen (15) days' notice to the Mortgagee by registered letter.

6. **TRANSFER OF TITLE**

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

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

PRIVACY STATEMENT

Thank you for choosing Ecclesiastical Insurance Office plc as your insurance provider. As an insurer, we are committed to protecting the privacy of your personal information, which is entrusted upon us by our brokers and customers.

COLLECTION, USE & DISCLOSURE

When you purchase insurance from Ecclesiastical, the personal information you share assists your Broker in providing products and services that best meet your needs. We do not sell or otherwise market personal information. Nor do we share information with organizations outside of the Ecclesiastical Insurance Group, who could use it to contact you about their own products or services. By accepting an insurance policy with Ecclesiastical, your consent is implied for our Company to use, in an appropriate manner and we are committed to this end.

We may use and disclose information in order to:

- Establish and maintain communication with you
- Assess your application for insurance and pricing of your policy
- Investigate, evaluate and adjudicate claims
- Detect and prevent fraud
- Analyze business results
- Act as required by law
- Service your policy for accounting purposes, e.g.: for our Pre-Authorized Payment Plan
- Obtain and maintain reinsurance

SAFEGUARD

Ecclesiastical believes in maintaining safeguards to protect your personal information. Our employees, brokers and suppliers who are granted access to your personal information, understand the need to keep this information confidential and are contractually and legally obligated to do so. They understand that they are to use the information for the intended purpose only. In addition, we strive to protect your personal information while in our possession, by either physical or system means, along with proper processes to protect customer information from unauthorized access or use. Additionally, we will make every reasonable attempt to ensure the information is accurate and up to date.

PRIVACY CHOICE

You may at any time withdraw your consent (subject to legal or contractual obligations and on providing reasonable notice) by contacting our Privacy Officer. It is understood however, that by withdrawing your consent, it may prevent us from providing you with the requested product or service. For more information, please visit our website at www.ecclesiastical.ca or contact our Privacy Officer at:

Ecclesiastical Insurance Office plc
100 Wellington Street West,
TD West Tower
Suite 2200, P.O. Box 307
Toronto, Ontario, M5K 1K2
Privacy Officer at (416) 484-4555
E-mail: privacyofficer@eccles-ins.com

COMPLAINT

By purchasing our policy, we, at Ecclesiastical, understand the trust that you place with us in providing coverage to fulfill your needs. In return, it is our mandate to ensure that our staff, brokers, adjusters or other service providers you come into contact with, extend to you the same quality of service we have all come to expect. We also believe that we, at Ecclesiastical, must be open to any complaints or issues concerning our customers' needs and address those needs accordingly.

At Ecclesiastical Insurance, we are committed to the highest standards of customer care. If you have a complaint about the service you have received, you have a right to access our complaint resolution process. Your broker can provide you with information about how you can ensure that your complaint is heard and promptly handled, or you may direct your concerns directly to our Complaints Officer:

Complaint Officer
Ecclesiastical Insurance Office plc
100 Wellington Street West,
TD West Tower
Suite 2200, P.O. Box 307
Toronto, Ontario, M5K 1K2
Tel: (416) 484-4555
E-mail: ombudsman@eccles-ins.com

SHORT-RATE CANCELLATION TABLE FOR ANNUAL CONTRACTS

If you cancel your policy, we will use the table that follows to determine how much of the premium we will retain.

| <i>Days in Force</i> | <i>%</i> | <i>Days in Force</i> | <i>%</i> | <i>Days in Force</i> | <i>%</i> | <i>Days in Force</i> | <i>%</i> | <i>Days in Force</i> | <i>%</i> | <i>Days in Force</i> | <i>%</i> |
|----------------------|----------|----------------------|----------|----------------------|----------|----------------------|----------|----------------------|----------|----------------------|----------|
| 1-3 | 8 | 62-65 | 24 | 120-122 | 39 | 181-184 | 55 | 239-242 | 70 | 300-303 | 86 |
| 4-7 | 9 | 66-69 | 25 | 123-126 | 40 | 185-188 | 56 | 243-245 | 71 | 304-307 | 87 |
| 8-11 | 10 | 70-73 | 26 | 127-130 | 41 | 189-192 | 57 | 246-249 | 72 | 308-311 | 88 |
| 12-15 | 11 | 74-76 | 27 | 131-134 | 42 | 193-195 | 58 | 250-253 | 73 | 312-315 | 89 |
| 16-19 | 12 | 77-80 | 28 | 135-138 | 43 | 196-199 | 59 | 254-257 | 74 | 316-318 | 90 |
| 20-23 | 13 | 81-84 | 29 | 139-142 | 44 | 200-203 | 60 | 258-261 | 75 | 319-322 | 91 |
| 24-26 | 14 | 85-88 | 30 | 143-146 | 45 | 204-207 | 61 | 262-265 | 76 | 323-326 | 92 |
| 27-30 | 15 | 89-92 | 31 | 147-149 | 46 | 208-211 | 62 | 266-268 | 77 | 327-330 | 93 |
| 31-34 | 16 | 93-96 | 32 | 150-153 | 47 | 212-215 | 63 | 269-272 | 78 | 331-334 | 94 |
| 35-38 | 17 | 97-99 | 33 | 154-157 | 48 | 216-219 | 64 | 273-276 | 79 | 335-338 | 95 |
| 39-42 | 18 | 100-103 | 34 | 158-161 | 49 | 220-222 | 65 | 277-280 | 80 | 339-341 | 96 |
| 43-46 | 19 | 104-107 | 35 | 162-165 | 50 | 223-226 | 66 | 281-284 | 81 | 342-345 | 97 |
| 47-49 | 20 | 108-111 | 36 | 166-169 | 51 | 227-230 | 67 | 285-288 | 82 | 346-349 | 98 |
| 50-53 | 21 | 112-115 | 37 | 170-172 | 52 | 231-234 | 68 | 289-292 | 83 | 350-353 | 99 |
| 54-57 | 22 | 116-119 | 38 | 173-176 | 53 | 235-238 | 69 | 293-296 | 84 | 354-365 | 100 |
| 58-61 | 23 | | | 177-180 | 54 | | | 297-299 | 85 | | |

CANCELLATION REQUEST

In consideration of the return of unearned premium, to follow if any, the within policy is hereby cancelled and surrendered, and the interim and renewal certificates, if any, for same, acknowledged to be of no effect.

Effective Date of Cancellation

Time of Cancellation a.m. /p.m.

Insured

Signature of Mortgagee

**DECLARATION OF EMERGENCY ENDORSEMENT
EXTENSION OF TERMINATION or EXPIRY DATE**

This Endorsement Changes The Policy. Please Read It Carefully.

Subject to the conditions, limitations and exclusions set forth in the policy and wordings and endorsements attached hereto, the following is hereby made part of the policy.

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) Thirty (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) Thirty (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 One Hundred and Twenty (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.

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

THIRTY (30) DAY CANCELLATION CLAUSE

Subject to the conditions, limitations and exclusions set forth in the policy and wordings and endorsements attached hereto, the following is hereby made part of the policy.

It is understood and agreed that with respect to General Policy Section, General Policy Conditions, and Statutory Conditions – 5. Termination and General Conditions – 6. Cancellation (Articles 2477 and 2479) Thirty (30) days is substituted for Fifteen (15) days, wherever the latter appears.

It is further agreed that this clause shall not apply when termination by the Insurer is for non-payment of premium.

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

**DIRECTORS AND OFFICERS INSURANCE POLICY
(Non Profit Organizations)**

Words and Phrases in Quotations Have Special Meaning as Defined in This Form

This is a policy of insurance only for "Claims" first made and reported to the Insurer during the policy period, during any extended reporting period, as applicable, and in accordance with conditions described below.

This is NOT an "Occurrence" based policy.

Subject to the conditions, limitations and exclusions set forth in the policy and wordings and endorsements attached hereto, the following is hereby made part of the policy.

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

Words used in the singular shall, where the context so admits, include the plural, and vice-versa.

In consideration of the payment of the premium, in reliance on the statements in the "Application" including all materials, documents and attachments, and subject to the terms, conditions and exclusions of this policy, the Insurer agrees as follows:

I. Insuring Agreements

- (a) the Insurer agrees with the "Insured Persons" that, if during the "Policy Year" any "Claim" is made against them for a "Wrongful Act" and reported to the Insurer, pursuant to Section VIII – Notice of "Claim", the Insurer shall pay on behalf of the "Insured Persons" all "Loss" for which the "Insured Persons" become legally obligated to pay, except for "Loss" for which the "Corporation" is required by law, or agrees as permitted by law, to indemnify such "Insured Persons" unless and to the extent only that the "Corporation" is unable to make actual indemnification solely by reason of its "Financial Impairment";
- (b) the Insurer agrees with the "Corporation" that, if during the "Policy Year" any "Claim" is made against any "Insured Persons" for a "Wrongful Act" and reported to the Insurer, pursuant to Section VIII – Notice of "Claim", the Insurer shall pay on behalf of the "Corporation" all "Loss" for which the "Corporation" is required by law, or agrees as permitted by law, to indemnify such "Insured Persons";
- (c) the Insurer agrees with the "Corporation" that, if during the "Policy Year" any "Claim" is made against the "Corporation" for a "Wrongful Act" and reported to the Insurer, pursuant to Section VIII – Notice of "Claim", the Insurer shall pay in accordance with the provisions of this policy on behalf of the "Corporation" for all "Loss" for which the "Corporation" shall become legally obligated to pay;
- (d) Only when a limit is shown in the "Declarations Page(s)" for Insuring Agreement (d), the Insurer agrees that if during the "Policy Year" any "Claim" is made against the "Insured(s)" for an "Employment Wrongful Act" and reported to the Insurer, pursuant to Section VIII – Notice of "Claim", the Insurer shall pay in accordance with the provisions of this policy on behalf of the "Insured(s)" for all "Loss" for which the "Insured(s)" shall become legally obligated to pay.

II. "Costs, Charges and Expenses"

- (a) It shall be the right and duty of the Insurer to defend "Claim(s)" which are covered under this policy made against the "Corporation" and/or the "Insured Persons", even if any of the allegations are groundless, false or fraudulent. The Insurer's right and duty to defend shall cease upon exhaustion of the limit of liability. Payment by the Insurer of "Costs, Charges and Expenses" shall not reduce the limit of liability except in respect to wrongful employment "Claims" and/or penal defence costs in which case "Costs, Charges and Expenses" shall be part of and not in addition to the limit of liability as shown in the "Declarations Page(s)" and shall reduce the limit of liability.
- (b) The "Corporation" and/or the "Insured Persons" agree not to settle or offer to settle any "Claim", incur any "Costs, Charges and Expenses" or otherwise assume any contractual obligation or admit any liability with respect to any "Claim" without the Insurer's consent, which shall not be unreasonably withheld. The Insurer shall not be liable (including any applicable deductible amount) for any settlement, "Costs, Charges and Expenses", assumed obligation or admission to which the Insurer has not consented.
- (c) The Insurer may make any investigation it deems necessary. The "Corporation" and/or the "Insured Persons" agree to provide the Insurer with all information, assistance and cooperation which the Insurer reasonably requests and agree that in the event of a "Claim" the "Corporation" and/or the "Insured Persons" will do nothing that shall prejudice the Insurer's position or its potential or actual rights of recovery.
- (d) The Insurer may, with the written consent of the "Corporation" and/or the "Insured Persons" settle any "Claim" covered in whole or in part under this policy for solely a monetary amount which the Insurer deems reasonable. If the "Corporation" and/or the "Insured Persons" refuses to settle and/or withholds consent to such settlement, the Insurer's liability for all "Loss" on account of such "Claim" shall not exceed:
 - (i) the amount for which the Insurer and/or the "Corporation" and/or the "Insured Persons" could have settled such "Claim" plus the "Costs, Charges and Expenses" accrued as of the date such settlement was proposed in writing to the "Corporation" and/or the "Insured Persons"; and,
 - (ii) eighty per cent (80%) of "Loss", including "Costs, Charges and Expenses", in excess of the amount referenced in paragraph (i) above. The remaining twenty per cent (20%) of "Loss", including "Costs, Charges and Expenses" shall be paid by the "Corporation" and/or the "Insured Persons", uninsured and at their own risk, notwithstanding anything to the contrary under paragraph (e) of Section II.
- (e) With respect to any "Claim" made against the "Insured(s)" made during the "Policy Year" involving both covered and uncovered allegations, or covered and uncovered parties, or both, the "Insured(s)" and the Insurer agree to allocate the amount of "Loss" as follows:
 - (i) the Insurer shall pay One Hundred percent (100%) of "Costs, Charges and Expenses" in relation to such; and,

- (ii) with respect to "Loss" other than "Costs, Charges and Expenses", the "Insured(s)" and the Insurer shall use their best efforts to agree upon a fair and proper allocation of the amount of such "Loss", taking into account the relative legal exposure of the "Insured" and non-covered parties.

In the event that an allocation cannot be agreed to, then the parties agree to submit the dispute to binding arbitration in accordance with the arbitration legislation of the province set forth in the "Declarations Page(s)" and Insurer and the "Insured(s)" shall bear their own respective costs of such and an equal share each of the Arbitrator's fees and expenses.

III. Extensions

A. Extended Discovery Period (Bilateral)

In the event the Insurer cancels or refuses to renew this policy for any reason other than the non-payment of premium, or in the event the "Corporation" cancels or declines to renew this policy, provided that the premium has been fully paid, the "Corporation" shall have the right, upon payment of an additional premium of Fifty percent (50%) of the One (1) year premium hereunder, to an extension of the coverage granted by this policy in respect of any "Claim(s)" made against the "Insured(s)" during the period of Twelve (12) months after the effective date of such cancellation or, in the event of a refusal to renew, after the date upon which the "Policy Year" ends, but only in respect of any "Wrongful Act" committed prior to such date of non-renewal or termination and only with respect to "Claims" which are reported to the Insurer pursuant to Section VIII – Notice of "Claim". Such Twelve (12) month period is hereinafter referred to as the "Extended Discovery Period". This right of extension shall terminate unless written notice is given to the Insurer within Seventy-five (75) days after the "Policy Year" ends, together with full payment of the additional premium for this extension. If such notice and additional premium payment is not so given to the Insurer, the "Corporation" shall not, at a later date, be able to exercise the right to purchase the extension.

Once elected, the premium for the "Extended Discovery Period" shall be deemed fully earned upon payment.

The exercising of the "Extended Discovery Period" shall not in any way increase the limit of liability.

B. Retired Officers and Directors

If the Corporation shall cancel or refuse to renew this policy, and provided that the premium has been fully paid and no replacement policy has been purchased by the "Corporation", this policy will extend cover for a term of Five (5) years; only in respect to "Wrongful Act" committed prior to such date of non-renewal or termination for officers and directors who were on the board of the "Corporation" and who had retired prior to the effective date of the previous "Policy Year's" renewal. This extension will only apply when this policy has been in force for Twenty-four (24) months prior to the cancellation or nonrenewal.

"Replacement policy" in respect to this clause means a policy that provides directors and officers cover to the "Corporation" and/or to its directors and officers, regardless of whether the terms, conditions or limits of the replacement policy are more or less restrictive than those provided under this policy.

C. Spousal Liability

This policy shall cover "Loss" arising from any "Claim" made against the lawful spouse (whether such status is derived by reason of statute or common law of the jurisdiction in which the "Insured Person" resides) of any "Insured Person" arising solely out of his or her capacity as the spouse of an "Insured Person" including such "Claims" that seek damages recoverable from the marital community property jointly held by the "Insured Person" and the spouse or property transferred from the "Insured Person" to the spouse which the claimant seeks recovery for alleged "Wrongful Act" of the "Insured Person"; provided, however, that this extension shall not afford coverage for any "Claim" for any actual or alleged "Wrongful Act" of the spouse.

D. Outside Directorship Liability

This policy shall cover "Loss" in connection with any "Claim(s)" made against any "Insured Person(s)" serving in an "Outside Position" of any "Non-Profit Corporation, Organization or Association" other than the "Insured(s)".

Any such coverage with respect to any "Outside Position" in a "Non-Profit Corporation, Organization or Association" shall be solely and specifically excess of any indemnity or insurance available or provided by such "Non-Profit Corporation, Organization or Association" in which the "Insured Person(s)" serves in the "Outside Position".

Coverage pursuant to this extension does not extend to the outside entity or to any Director, Officer, Trustee or other equivalent executive or employee of the outside entity.

Payment by the Insurer or its affiliates under another policy on the account of a "Claim" also covered pursuant to this extension shall reduce, by the amount of such payment, the Insurer's limit of liability under this policy with respect to such "Claim".

E. Penal Defence Cost Coverage

This policy shall pay up to a maximum of \$25,000 for each "Wrongful Act" for "Costs, Charges and Expenses" incurred in defending any criminal proceeding made against any "Insured" for a "Wrongful Act", which is commenced by laying of an information or the return of an indictment in Canada, or similar legal document provided that the notice of such a criminal proceeding is given to the Insurer in accordance with Section VIII. Notice of "Claim"

The Insurer shall have no duty to defend the "Insured" under this extension;

This maximum amount of Twenty-Five Thousand dollars (\$25,000) applies in the aggregate for all "Insureds" involved in the same "Wrongful Act" and not individually.

If "Successful" "Insurer" will then reimburse any additional "Cost Charges and Expenses" incurred over the Twenty-Five Thousand dollars (\$25,000) up to the limit of liability specified on the declaration page for all "Successful" "Insured(s)".

If found guilty on one or more charges the "Insured" is to pay back to the Insurer the initial amount paid for their defence.

As used in this extension, the term "Successful" means acquittal, stayed or the withdrawal of the charge. Where more than one charge, information, indictment or other proceeding is commenced against an "Insured" or arising out of the same "Wrongful Act" or "Interrelated Wrongful Acts", then "Successful" shall mean all the charges, information, indictments, or other proceedings are stayed, withdrawn or result in an acquittal.

F. **"Extradition Proceeding"**

This policy shall pay up to a maximum aggregate limit of \$100,000 for all costs incurred in all **"Extradition Proceedings"** in any one **"Policy Year"**.

IV. **Definitions**

- (a) **"Abuse"** means, any act or threat involving molestation, harassment, corporal punishment, assault or battery or any other form of sexual, physical, mental, psychological or emotional abuse.
- (b) **"Application"** means all applications including materials and attachments submitted for this policy and for any policy in an uninterrupted series of policies issued by the Insurer of which this policy is a renewal or replacement. Where there exists an uninterrupted series of claims-made policies, the term application includes not just the application for the first policy in the series of policies but also each and every application for each and every subsequent renewal of the policy.
- (c) **"Asbestos"** means, asbestos, asbestos fibres or any derivatives of asbestos including any product containing any asbestos, asbestos fibres or any derivatives of asbestos.
- (d) **"Board Observers"** means someone who may provide opinions or advice to the board, but who is not officially a board member
- (e) **"Bodily Injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- (f) **"Claim"** means:
- (i) any written demand for damages or non-monetary or injunctive relief;
 - (ii) a civil proceeding which is commenced by a writ of summons, statement of claim, notice of action, complaint or similar originating legal document;
 - (iii) an arbitration, mediation, tribunal or similar alternative dispute resolution proceeding if the **"Insured"** is obligated to participate in such proceeding, or if the **"Insured"** agrees to participate in such proceeding with the Insurer's written consent, which shall not be unreasonably withheld;
 - (iv) a formal administrative proceeding, regulatory proceeding as commenced by the filing of a notice of charge, formal investigative order or similar legal document or,
 - (v) request to toll or waive the statute of limitations
- against any **"Insured(s)"** for a **"Wrongful Act"** or **"Employment Wrongful Act"**.
- (g) **"Corporation"** means the **"Non Profit Corporation, Organization or Association"** named in the **"Declarations Page(s)"**, and any **"Subsidiary"**.
- (h) **"Costs, Charges and Expenses"** means reasonable and necessary legal fees, and expenses incurred by the **"Corporation"** and/or the **"Insured Persons"** in the defense of any **"Claim"** and appeals therefrom, and cost of attachment or similar bonds without any obligation to apply for or supply by the insurer; provided, however Costs, Charges and Expenses shall not include the following:
- (i) salaries, wages, overhead or benefit expenses of any of the **"Insured Persons"**, or the **"Corporation"** or;
 - (ii) any amount incurred in defense of any **"Claim"** for which any other Insurer has any duty to defend, regardless of whether or not such other Insurer undertakes such duty.
- (i) **"Declarations"** means the Declarations Page(s) applicable to this form.
- (j) **"Employment Wrongful Act"** means any actual or alleged:
- (i) wrongful dismissal, discharge or termination of employment, either actual or constructive, including breach of any written, oral or implied contract of employment;
 - (ii) workplace harassment (including, but not limited to, sexual harassment);
 - (iii) workplace discrimination;
 - (iv) employment-related misrepresentation;
 - (v) employment-related libel, slander, humiliation, defamation or invasion of privacy;
 - (vi) wrongful failure to employ or promote;
 - (vii) wrongful deprivation of career opportunity, wrongful demotion or negligent employee evaluation;
 - (viii) wrongful discipline;
 - (ix) illegal retaliatory treatment;
 - (x) failure to grant tenure or,
 - (xi) failure to provide or enforce adequate or consistent corporate policies and procedures designed to prevent, halt or punish the conduct above
- brought by or on behalf of any past present or prospective employee or volunteer of the **"Corporation"** or any applicant for employment.:
- (k) **"Extradition Proceeding"** means a formal written request, pursuant to an applicable treaty, from one country (Requesting Country) to another (Requested Country) to have an **"Insured Person"** in respect to the operation of the **"Corporation"** extradited from the Requested Country to the Requesting Country.
- (l) **"Financial Impairment"** means the financial position of the **"Corporation"** as a debtor and without limiting the generality of the foregoing, shall occur when (i) any receiver, conservator, liquidator, trustee, or similar official has been appointed by a provincial or federal court, agency or official or by a creditor to take control of, supervise, manage or liquidate the **"Corporation"** or (ii) a reorganization proceeding relating to the **"Corporation"** has been brought in Canada under the Companies' Creditors Arrangement Act. R.S.C. c.C-36, or similar Provincial, Federal or Territorial legislation.
- (m) **"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.
- (n) **"Insured"** means the **"Corporation"** and/or the **"Insured Person(s)";**

- (o) **"Insured Person"** means:
- (i) any persons who were, now are, or shall be duly elected or appointed directors including de facto or deemed directors, officers, trustees, employees (paid or unpaid), volunteers, in house general counsel **"Board Observers"**, risk managers (who are considered employees of the **"Corporation"**), or members of any duly constituted committee of the **"Corporation"** or,
 - (ii) the estates, heirs, legal representatives or assigns of directors, officers, trustees, employees, volunteers, or members of any such committees in the event of their death, incompetency, insolvency or bankruptcy.

Above clauses are only in respect to acts in the person's capacity on behalf of the insured **"Corporation"**

- (p) **"Interrelated Wrongful Acts"** means **"Wrongful Acts"** and/or **"Employment Wrongful Acts"** which have as a common nexus any fact, circumstance, situation, event, transaction or series of fact, circumstance, situations, events or transactions.

- (q) **"Loss"** means
- (i) monetary damages including administrative monetary penalties levied against an **"Insured Person"**;
 - (ii) settlements and judgments (including pre-judgment and post-judgment interest);
 - (iii) punitive or exemplary damages awarded in Canada, if insurable by law pursuant to which this policy shall be construed or,
 - (iv) **"Costs, Charges and Expenses"**.

"Loss" shall not include

- (i) **"Claim(s)"** for any non-monetary relief,
 - (ii) disgorgement of profits or restitutionary relief except disgorgement of profits will be included for directors unless the director has gained any profit, remuneration or advantage to which they are not legally entitled;
 - (iii) criminal or civil fines, penalties, or the multiple and/or multiplier portion of any damage award, aggravated damages, or any interest whatsoever on any of these;
 - (iv) any matters that are otherwise uninsurable under the law pursuant to which this policy shall be construed or,
 - (v) any amounts due or damages awarded for salary, wages or severance pay, including but not restricted to pay-in-lieu of reasonable notice or any employee benefits due wrongly withheld under federal, provincial or local statutory, common law, equity, or under contract.
- (r) **"Non-Profit Corporation, Organization or Association"** means:
- (i) in Canada, any agricultural organization, board of trade or chamber of commerce, registered charity or not-for-profit organization, as described under Subsection 149(1) of the Income Tax Act (Canada), as amended or,
 - (ii) in a jurisdiction other than Canada, any entity similar to that described in (i) above, that is generally exempt from income tax in such other jurisdiction.
- (s) **"Outside Position"** means the position of Director, Officer or Trustee held by any **"Insured Person(s)"** with the knowledge and consent and at the direction of the **"Corporation"**.
- (t) **"Policy Year"** means the period of One (1) year following the effective date and hour as shown on the **"Declarations Page(s)"** of this policy or anniversary date thereof, or, if the time between the effective date or any anniversary date and the termination of the policy is less than One (1) year, such lesser period. If the **"Extended Discovery Period"** option is exercised in accordance with Section III, then such period shall be part of and not in addition to the last policy year.
- (u) **"Pollutants"** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (v) **"Professional Service"** shall include but not be limited to:
- (i) medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - (ii) any professional service(s) or treatment conducive to health;
 - (iii) professional service(s) of a pharmacist;
 - (iv) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
 - (v) the handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
 - (vi) any cosmetic, body piercing, tonsorial, massage, physiotherapy, chiropody, hearing aid, optical or optometrical services or treatments;
 - (vii) the preparation or approval of maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications;
 - (viii) supervisory, inspection, architectural, design or engineering services;
 - (ix) accountant's, advertiser's, notary's (Quebec), public notary's, paralegal's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, financial institution's, or consultant's professional advices or activities;
 - (x) any computer programming or re-programming, consulting, advisory or related services; or
 - (xi) any claim investigation, adjustment, appraisal, survey or audit services.
- (w) **"Property Damage"** means:
- (i) 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
 - (ii) loss of use of tangible property that is not physically injured.
- (x) **"Spores"** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any **"Fungi"**.
- (y) **"Subsidiary"** means:
- (i) any **"Non Profit Corporation, Organization or Association"** in respect of which the **"Corporation"** owns or controls more than fifty percent (50%) of the outstanding securities or voting rights representing the right to elect or appoint directors, trustees, or equivalent governing body of such **"Non Profit Corporation, Organization or Association"**, or in cases where no securities have been issued, the ability to control or direct managerial decisions of such **"Non Profit Corporation, Organization or Association"**; and
 - (ii) any other organization specifically included as a **"Subsidiary"** by written endorsement to this policy.

- (z) **"Terrorism"** means an ideologically motivated unlawful act or acts including but not limited to the use of violence or force or threat of violence or force committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.
- (aa) **"Wrongful Act"** means:
- (i) with respect to **"Insured Persons"**, any actual or alleged error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed by any of the **"Insured Persons"** in the discharge of their duties, individually or collectively, claimed against them solely by reason of their being directors, officers, trustees, employees, volunteers or members of any duly constituted committee of the **"Corporation"**, or, solely with respect to Section III D. Outside Directorship Liability, by reason of their serving in an **"Outside Position"**.
 - (ii) with respect to the **"Corporation"**, any actual or alleged error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed by the **"Corporation"**.

V. Exclusions

All of the exclusions contained in this policy of insurance apply regardless of any other contributing or aggravating cause, event or factor that contributes concurrently or in any sequence to the basis for that **"Claim"**.

The Insurer shall not be liable to make any payment for **"Loss"** in connection with any **"Claim"** made against the **"Corporation"** or the **"Insured Persons"**:

- (a) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
 - (i) any **"Wrongful Act"** or **"Employment Wrongful Act"** or any fact, circumstance or situation which has been the subject of any notice given as of or prior to the effective date of this policy, or which has been the subject of any written notice given under any policy of which this policy is a direct renewal or replacement;
 - (ii) any other **"Wrongful Act"** or **"Employment Wrongful Act"** whenever occurring, which, together with a **"Wrongful Act"** or **"Employment Wrongful Act"** which has been the subject of such notice, would constitute **"Interrelated Wrongful Acts"**.
- (b) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any **"Wrongful Act"** or **"Employment Wrongful Act"** or any fact, circumstance or situation indicating the possibility of a **"Claim"** which is known to any **"Insured(s)"** prior to the effective date of this policy, or if this policy is part of a series of consecutive uninterrupted renewals issued by the Insurer, the effective date of the original policy;
- (c) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any demand, suit or other proceeding pending, or order, decree or judgment entered against any **"Insured"** on or prior to the effective date of this policy, or if this policy is part of a series of consecutive uninterrupted renewals issued by the Insurer, the effective date of the original policy;
- (d) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged **"Bodily Injury"** provided that this exclusion shall not apply with respect to **"Bodily Injury"** in connection with or as part of a **"Claim"** by a past, present or prospective employee or volunteer of the **"Corporation"** for an **"Employment Wrongful Act"**;
- (e) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged **"Property Damage"**;
- (f) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
 - (i) actual alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **"Pollutants"** by any person;
 - (ii) any **"Loss"**, cost or expense arising out of any governmental direction or request that any person test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **"Pollutants"**.

Provided, however, that this exclusion shall not apply to any **"Claim"** for an **"Employment Wrongful Act"** arising from an employee's actual or threatened disclosure of the matters described in (i) or (ii) of this exclusion.

- (g) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving or attributable, in whole or in part, to:
 - (i) the **"Corporation"** or **"Insured Persons"** gaining in fact any personal profit or advantage or remuneration to which a judgment or other final adjudication determines that the **"Corporation"** or **"Insured Person(s)"** were not legally entitled;
 - (ii) the **"Corporation"** or **"Insured Person(s)"** committing any deliberate fraudulent or dishonest act or omission or deliberate criminal act or omission, if a judgment or other final adjudication establishes that such deliberate fraudulent or dishonest act or omission or deliberate criminal act or omission was committed;
 Provided, however, that this exclusion shall not apply unless a judgment or other final adjudication thereof shall establish that the **"Insured(s)"** engagement in the conduct described in (i) and/or (ii) above was material to the cause of action so adjudicated;
- (h) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any pension, profit sharing or employee benefit program established in whole or in part for the benefit of any **"Insured Person"** of the **"Corporation"**, or based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any violation of the Pension Benefits Standards Act of 1985 of Canada (or any regulation promulgated thereunder), the Employee Retirement Income Security Act of 1974 of the United States of America and amendments thereto (or any regulation promulgated thereunder), the Ontario Pension Benefits Act of 1990 (or any regulation promulgated thereunder) or similar provision of any federal, state, provincial or local statutory or common law;
- (i) Brought by or on behalf of, or at the direction of, or for the benefit, directly or indirectly, of any **"Insured(s)"** except:
 - (i) where such **"Claim"** is a derivative action brought or maintained on behalf of the **"Corporation"**, if such **"Claim"** is brought and maintained independently of, and without the solicitation, assistance, participation or intervention of any **"Insured(s)"**; or
 - (ii) where such **"Claim"** is brought or maintained by a trustee in bankruptcy of the **"Corporation"**, an interim receiver appointed pursuant to the provisions of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, a liquidator appointed pursuant to the provisions of the Winding-up and Restructuring Act, R.S.C. 1985, c.W-11, a monitor appointed pursuant to the provisions of the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, or a receiver or receiver and manager appointed pursuant to the Courts of Justice Act, R.S.O. 1990, c.C.43, or pursuant to other similar federal, provincial, state or territorial legislation; or

- (iii) where such "**Claim**" is in the form of a cross claim, third party claim or other claim for contribution or indemnity which is part of and results directly from a "**Claim**" which is not otherwise excluded by the terms of this policy; or
 - (iv) where such "**Claim**" is by a past officer or director, past or present employee or volunteer provided this is brought without any solicitation, or assistance by any other "**Insured Person**" for an "**Employment Wrongful Act**".
- (j) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged false arrest, wrongful detention or imprisonment, malicious prosecution, invasion of privacy, wrongful entry, eviction, libel, slander or defamation; However, this exclusion shall not apply to coverage provided under Section I (d) for "**Claim(s)**" made against the "**Insured(s)**" for an "**Employment Wrongful Act**";
 - (k) Against any "**Insured**", based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving their service as a director, officer, trustee, employee or volunteer of any entity other than the "**Corporation**" named in the "**Declarations Pages(s)**"; However, this exclusion shall not apply to coverage provided with respect to Section III D. Outside Directorship Liability;
 - (l) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
 - (i) "**Abuse**" committed or alleged to have been committed by an "**Insured**", including the transmission of disease arising out of any act of "**Abuse**";
 - (ii) the "**Insureds**" practices of employee hiring, acceptance of volunteer workers or supervision or retention of any person alleged to have committed "**Abuse**";
 - (iii) any actual or alleged knowledge by an "**Insured**" of, or failure to report, the alleged "**Abuse**" to the appropriate authority(ies);
 - (iv) any actual or alleged physical, sexual, or mental "**Abuse**"; or
 - (v) any actual or alleged molestation, annoyance or sexual advances to anyone.

except this exclusion shall not apply with respect to bodily injury in connection with or as part of a "**Claim**" by a past present or prospective employee or volunteer of the "**Corporation**" for an "**Employment Wrongful Act**"

- (m) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the rendering of or failure to render a "**Professional Service**" for others, whether the "**Professional Service**" rendered is on a paid or voluntary basis;
- (n) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged breach of contract or liability of others assumed by any "**Insured**" under any contract or agreement, whether oral or written, except to the extent that the "**Insured**" would have been liable in the absence of such contract or agreement. However, this exclusion does not apply to coverage provided under Section I Insuring Agreements for "**Costs, Charges and Expenses**" as a result of a "**Claim**" for an "**Employment Wrongful Act**";
- (o) Based upon, arising out of directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged infringement of copyright or trademark, unauthorized use of title, plagiarism or misappropriation of ideas;

VI. Additional Exclusions

- (a) This insurance does not apply to any "**Claim**", "**Costs, Charges and Expenses**" based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, declarative, mandatory or injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened "**Loss**", damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, "**Asbestos**" or any materials containing "**Asbestos**" in whatever form or quantity.
- (b) This insurance does not apply to any
 - (i) "**Claim**", "**Costs, Charges and Expenses**", or any "**Claim**", "**Costs, Charges and Expenses**" incurred by others, based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any "**Fungi**" or "**Spores**" however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "**Fungi**" or "**Spores**";
 - ii) any supervision, instructions, recommendations, warnings, or advice given, or which should have been given in connection with (b) i); or
 - iii) any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in (b) i) or (b) ii)
- (c) Nuclear Incident
This exclusion applies regardless of any other contributing or aggravating cause, event or factor that contributes concurrently or in any sequence to the basis for the "**Claim**".

It is agreed that this policy does not apply:

- (i) to liability imposed by or arising under the Nuclear Liability Act; nor
- (ii) to "**Bodily Injury**" or "**Property Damage**" with respect to which an "**Insured**" under this policy is also insured under a contract of nuclear energy liability insurance (whether the "**Insured**" is unnamed in such contract and whether or not is legally enforceable by the "**Insured**") issued by the Nuclear Insurance Association of Canada or any other Insurer or group or pool of Insurers or would be an "**Insured**" under any such policy but for its termination upon exhaustion of its limit of liability; nor
- (iii) to "**Bodily Injury**" or "**Property Damage**" resulting directly or indirectly from the "**Nuclear Energy Hazard**" arising from:
 1. the ownership, maintenance, operation or use of a "**Nuclear Facility**" by or on behalf of an "**Insured**";
 2. the furnishing by an "**Insured**" of services, materials, parts, or equipment in connection with the planning, construction, maintenance, operation or use of any "**Nuclear Facility**"; and
 3. the possession, consumption, use, handling, disposal or transportation of "**Fissionable Substances**", or of other "**Radioactive Material**" (except radioactive isotopes, away from a "**Nuclear Facility**", which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled, or sold by an "**Insured**".

As used in this policy:

- (1) the term "**Nuclear Energy Hazard**" means the radioactive, toxic, explosive or other hazardous properties of "**Radioactive Material**";
- (2) the term "**Radioactive Material**" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances that the Atomic Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
- (3) The term "**Nuclear Facility**" means:
 - (a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium, and uranium or any one or more of them;

- (b) any equipment or device designed or used for:
 - (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them,
 - (ii) processing or utilizing spent fuel, or
 - (iii) handling, processing or packaging waste;
- (c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the "Insured" at the premises where such equipment or device is located consists of or contains more than Twenty-Five (25) grams of plutonium or uranium 233 or any combination thereof, or more than Two Hundred and Fifty (250) grams of uranium 235
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste "radioactive material"; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
- (4) The term "**Fissionable Substance**" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
- (5) With respect to property, loss of use of such property shall be deemed to be "**Property Damage**".
- (d) Terrorism
This insurance shall not apply to any "**Claim**", "**Costs, Charges and Expenses**", based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving "**Terrorism**" or out of any activity or decision of a government agency or other entity to prevent, respond to, or terminate "**Terrorism**".
- (e) War
This insurance shall not apply to any "**Claim**", "**Costs, Charges and Expenses**" based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

VII. Limit of Liability

- (a) Subject to Section VII (b), the Insurer shall only be liable to pay "**Loss**" which is in excess of the amount of the applicable deductible stated in the "**Declarations**" as determined under Section VII (d) up to the applicable limit of liability shown on the "**Declarations Page(s)**" resulting from each "**Claim**" made against the "**Insured Persons**" and the "**Corporation**" and reported in accordance with Section VIII – Notice of "**Claim**".
- (b) The amount shown in the "**Declarations Page(s)**" shall be the maximum aggregate limit of liability of the insurer in each "**Policy Year**" for all "**Loss**", other than "**Cost Charges and Expenses**" (which shall be in addition to this limit unless otherwise noted) resulting from all "**Claims**" made against the "**Insured Persons**" and the "**Corporation**" during each such "**Policy Year**", together with all "**Claim(s)**" made against the "**Insured Persons**" and the "**Corporation**" which, in accordance with Section VII (c) or Section VIII, shall be deemed to have been made during each such "**Policy Year**".
- (c) More than one "**Claim**" involving the same "**Wrongful Act**", "**Interrelated Wrongful Acts**" or "**Employment Wrongful Act**" of one or more of the "**Insured Persons**" shall be deemed to constitute a single "**Claim**" and such single "**Claim**" shall be deemed to have been made solely within the earliest of the following "**Policy Years**":
 - (i) the "**Policy Year**" in which the earliest "**Claim**" involving the same "**Wrongful act**", "**Interrelated Wrongful Acts**" or "**Employment Wrongful Act**" is first made, or
 - (ii) the "**Policy Year**" in which the "**Claim**" involving the same "**Wrongful Act**", "**Interrelated Wrongful Acts**" or "**Employment Wrongful Act**" shall be deemed to have been made pursuant to Section VIII if applicable.
- (d) In the event that a "**Claim**" is covered in part under Section I (a), (b), (c) or (d); the deductibles set forth in the "**Declarations Page(s)**" shall be applied separately to that part of the "**Loss**" resulting from such "**Claim**" covered by each Insuring - Agreement and the sum of the deductibles so applied shall constitute the deductible applicable to such "**Claim**", provided however the total deductible as finally determined shall in no event exceed the highest deductible set forth in the "**Declarations Page(s)**".
- (e) The deductible applicable to Insuring Section I (b) shall apply to "**Loss**" resulting from any "**Claim**" if indemnification by the "**Corporation**" is required by law or is legally permissible regardless of whether or not actual indemnification is made, unless the "**Corporation**" is unable to make such actual indemnification solely by reason of "**Financial Impairment**". For the purpose thereof, the certificate of incorporation by-laws and resolutions of the "**Corporation**" shall be deemed to provide indemnification to the "**Insured**" to the fullest extent permitted by law.

VIII. Notice of "Claim"

- (a) If during the "**Policy Year**" or "**Extended Discovery Period**" any "**Claim**" is made against the "**Corporation**" or any "**Insured Persons**" the "**Corporation**" or the "**Insured Persons**", shall, as a condition precedent to their right to coverage under this policy, give to the Insurer notice in writing as soon as practicable of any such "**Claim**" but in no event later than Ninety (90) days after the expiration of the "**Policy Year**" or, if the "**Extended Discovery Period**" is elected in accordance with Section III A, no later than expiration of the "**Extended Discovery Period**".
- (b) If during the "**Policy Year**" or the "**Extended Discovery Period**":
 - (i) the "**Corporation**" or the "**Insured Persons**" shall receive written notice from any party that it is the intention of such party to hold the "**Corporation**" or the "**Insured Persons**" responsible for a "**Wrongful Act**" or "**Employment Wrongful Act**"; or
 - (ii) the "**Corporation**" or the "**Insured Persons**" shall in writing become aware of any fact, circumstance or situation which may reasonably be expected to give rise to a "**Claim**" being made against the "**Corporation**" or the "**Insured Persons**" for a "**Wrongful Act**" or "**Employment Wrongful Act**", and shall in either case during such period give written notice as soon as practicable to the Insurer of the receipt of such written notice under Section VIII (b) (i) or of such fact, circumstance or situation under Section VIII (b) (ii), then any "**Claim**" which may subsequently be made against the "**Corporation**" and/or the "**Insured Persons**" arising out of such "**Wrongful Act**" or "**Employment Wrongful Act**" shall for the purpose of this policy be treated as a "**Claim**" made during the "**Policy Year**" or "**Extended Discovery Period**".
- (c) The "**Corporation**" and/or the "**Insured Persons**", following the furnishing of notice as provided in paragraphs (a) and (b), of Section VIII shall, as soon as practicable, furnish the Insurer with copies of reports, investigation, pleadings and all other papers in connection therewith. The Insurer shall have the right to examine under oath any of the "**Insured Persons**" at any time following the furnishing of such notice.
- (d) Notification to the Insurer pursuant to Section VIII shall be given to Ecclesiastical Insurance Office plc, Canada Branch Office.

IX. General Conditions

- (a) **Warranty and Severability:** It is warranted that the particulars and statements contained in the "**Application**" including all materials, documents and attachments, and the "**Declarations Page(s)**" are the basis of this policy and are to be considered as incorporated in and constituting part of the policy.

As respects the particulars and statements contained in the "**Application**", including all materials, documents and attachments, this policy applies:

- (i) as if each named "**Insured**" were the only named "**Insured**"; and
- (ii) separately to each "**Insured**" against whom a "**Claim**" is made.

In the event that material misrepresentations have been made within the "**Application**", then this insurance shall be void and of no effect with respect to the following Insureds:

- (1) any "**Insured Person**" who was aware of such misrepresentations;
- (2) any "**Corporation**", to the extent that it indemnifies any "**Insured Person**" who was aware of such misrepresentations; and
- (3) any "**Corporation**", if the person who signed the "**Application**" was aware of such misrepresentations.

Nothing in this paragraph shall be construed to increase the Insurer's maximum limit of liability as set forth in Section VII of this policy.

- (b) **Merger or Consolidation:** This policy is issued and the premium computed on the basis of the information submitted to the Insurer as part of the "**Application**" referred to in the "**Declarations Page(s)**". Premium adjustment and coverage revision may be required by the Insurer in the event;

- (i) the "**Corporation**" acquires any other "**Non Profit Corporation, Organization or Association**" during the "**Policy Year**", or
- (ii) the "**Corporation**" creates or acquires a non-profit "**Subsidiary**" subsequent to the inception date of the policy. The "**Corporation**" agrees to give notice to the Insurer in writing within Ninety (90) days after the effective date of such event and furnish such information in connection therewith as the Insurer may require and pay any additional premium required.

Such "**Non Profit Corporation, Organization or Association**" and its "**Insured Persons**" shall be covered by this policy but only with respect to "**Wrongful Acts**" or "**Employment Wrongful Acts**" taking place after the effective date of such acquisition or creation.

At the option of the insurer and insured, a completed "**Application**" for the newly acquired "**Non Profit Corporation, Organization or Association**" and its "**Insured Persons**" may be submitted for review, if so accepted by the insurer and upon payment of any additional premium if so required, this policy will be extended to provide coverage in respect to "**Wrongful Acts**" or "**Employment Wrongful Acts**" reported during the "**Policy Year**".

- (c) **Acquisition:**

If during the "**Policy Year**" the following occurs;

- (i) a transaction occurs wherein another entity gains control of the "**Corporation**" through the acquisition of more than Fifty per cent (50%) of the assets of the "**Corporation**";
- (ii) the "**Corporation**" merges into another entity or consolidates with another entity such that the "**Corporation**" is not the surviving entity; or
- (iii) the "**Corporation**" ceases to qualify as a "**Non Profit Corporation, Organization and Association**" under any federal, provincial or territorial legislation;

The "**Corporation**" or the "**Insured(s)**" must give written notice of such transaction within Ninety (90) days after the effective date of such event and provide the Insurer with such information as the Insurer may deem necessary.

- (d) **Subrogation:** In the event of any payment under this policy, the Insurer shall be subrogated to the extent of such payment to all rights of recovery therefor, and the "**Corporation**" or the "**Insured Persons**" shall execute all papers required and shall do everything that may be necessary to enable the Insurer effectively to bring suit in the name of the "**Corporation**" or the "**Insured Persons**".
- (e) **Company Authorization:** By acceptance of this policy, the "**Corporation**" named in the "**Declarations Page(s)**" agrees to act on behalf of all "**Insured Persons**" with respect to the giving of all notice to the Insurer as required herein, the receiving of notice of "**Claim**" or cancellation, the payment of premiums and the receiving of any return premiums that may become due under this policy, and all "**Insured Persons**" agree that the "**Corporation**" shall act on their behalf. The "**Corporation**" and the "**Insured Persons**" shall give the Insurer such information and co-operation as they may reasonably require.
- (f) **Changes:** This policy contains all the agreements between the "**Insured**" and the Insurer concerning the insurance afforded. The first named "**Corporation**" shown in the "**Declarations Page(s)**" is authorized to make changes in the terms of this policy with The Insurer's consent. This policy's terms can be amended or waived only by endorsement issued by the Insurer and made a part of this policy.
- (g) **Assignment:** No assignment of interest under this policy shall bind the Insurer until consent is endorsed hereon.
- (h) **Conformance to Statute:** Terms of this policy, which are in conflict with the statutes of the jurisdiction wherein this policy is issued, are hereby amended to conform to such statutes.
- (i) **Action Against the Insurer:** No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, until the amount of the "**Corporation's**" or "**Insured Person's**" obligation to pay shall have been finally determined either by a judgment against the "**Corporation**" or the "**Insured Persons**" after actual trial or by written agreement of the "**Corporation**" or the "**Insured Persons**", the claimant and the Insurer. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy.

No person or organization shall have the right under this policy to join the Insurer as a party to any action against the "**Corporation**" or the "**Insured Persons**" to determine the "**Corporation's**" or the "**Insured Person's**" liability, nor shall the Insurer be impleaded by the "**Corporation**" or the "**Insured Persons**" or their legal representatives. Bankruptcy or insolvency of the "**Corporation**" or the "**Insured Persons**" or the "**Corporation's**" or the "**Insured Person's**" estate shall not relieve the Insurer of any of its obligations hereunder.

- (j) **Other Insurance:** This policy shall be specifically excess of any other valid and collectible insurance (including but not limited to any insurance which is stated to be primary, contributory, excess, contingent or otherwise or under which there is a duty to defend), unless such other insurance is specifically stated to be in excess of this policy. In no event shall this Policy be construed to contribute rateably with any such other insurance. This policy shall not follow the terms of any other Insurance.

- (k) **Currency:** Except as otherwise provided all limits of liability, premiums, "**Loss**" and other amounts as expressed under this Policy are in the legal currency of Canada. In the event that a judgment is rendered, or a settlement is reached in a currency other than Canadian Dollars, payment under this policy shall be made in the legal currency of Canada at the rate of exchange published in the Globe and Mail on the date the final judgment becomes enforceable or the amount the settlement is agreed upon respectively.
- (l) **Territory:** Coverage provided by this policy applies to "**Wrongful Acts**" and "**Employment Wrongful Acts**" taking place anywhere in the world except in those jurisdictions where it is prohibited by law
- (m) **Termination:** This contract may be terminated:
- (i) by the "**Corporation**" named in the "**Declarations Page(s)**" at any time by mailing or delivering to us, in advance, written notice of cancellation. Cancellation takes effect the date the written notice was mailed or delivered or at a later date named therein. The Insurer shall refund the unearned portion of the premium according to the customary short rate table.
 - (ii) By the Insurer by giving the "**Corporation**" Fifteen (15) days written notice of cancellation for non-payment of premium or Thirty (30) days' notice of cancellation for any other reason. Where this contract is terminated by the Insurer the Insurer shall refund the excess of premium actually paid by the "**Insured**" over the pro rata premium for the expired time, but in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified;
 - (iii) the Fifteen (15) days mentioned in paragraph (ii) of this condition commences to run on the date following the receipt of the registered letter at the post office to which it is addressed.
- (n) **Law and Jurisdiction:** The interpretation, construction and enforcement of this policy are exclusively subject to the laws of the Province and Territories in which the policy was issued and to any federal laws of Canada applicable therein.
- (o) **Non-rescindable:** This policy may not be rescinded by the Insurer solely with respect to coverage provided to the "**Insured Persons**" for "**Claims**" for which the "**Corporation**" is not permitted to indemnify them or cannot indemnify them due to its "**Financial Impairment**".
- (p) **Order of Payments:** If "**Loss**" from any "**Claim(s)**" covered under this policy exceeds the remaining applicable limit of liability as set forth in Item 1 of the "**Declarations Page(s)**":
- (iv) the Insurer will first pay "**Loss**" for such "**Claim**" to which Insuring Agreement I(a) applies; then
 - (v) to the extent that any amount of the applicable limit of liability shall remain available, the Insurer shall pay "**Loss**" for such "**Claim**" to which Insuring Agreements I (b), I(c) and I (d) apply.
- (q) **Dispute Resolution Clause:** In the event that the Insurer and "**Insured(s)**" cannot agree concerning the coverage or the quantum afforded by this policy, it is agreed that the dispute shall be resolved in accordance with the dispute resolution process herein described:
- (i) mediation with a mediator mutually agreed to by the parties to the dispute. If the parties fail to concur on the choice of the mediator, a Court shall appoint a Mediator on a motion by one of the parties.
 - (ii) if settlement at a mediation is not possible, the dispute will be referred to an Arbitration in accordance with the applicable Arbitration legislation regulation in the jurisdiction in which the Policy is issued. The decision of the Arbitrator will be binding on all parties to the dispute with no right of appeal.
 - (iii) each party shall bear its own costs and expenses in connection with the dispute resolution process. The costs and expenses of Mediation and Arbitration shall be shared equally by the parties to the dispute.

By agreement in writing, the Insurer and the "**Insured(s)**" may waive compliance with this section or any part thereof for purposes of a specified dispute.

**POLLUTION EXCLUSION AMENDMENT ENDORSEMENT
DIRECTORS AND OFFICERS INSURANCE POLICY
NON PROFIT ORGANIZATIONS**

This Endorsement Changes the Policy. Please Read It Carefully.

Subject to the conditions, limitations and exclusions set forth in the policy and wordings and endorsements attached hereto, the following is hereby made part of the policy.

This endorsement modifies insurance provided by Directors and Officers Liability Insurance Policy, Form No. DA6030, which forms part of this policy.

It is agreed that exclusion (f) of **Section V. Exclusions** is hereby deleted and replaced with the following:

(f) Based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

- (i) actual alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "**Pollutants**" by any person;
- (ii) any "**Loss**", cost or expense arising out of any governmental direction or request that any person test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "**Pollutants**".

provided that this exclusion shall not apply:

- 1) to any "**Claim**" for an "**Employment Wrongful Act**" arising from an employee's actual or threatened disclosure of the matters described in (i) or (ii) of this exclusion.
- 2) under INSURING AGREEMENT I(a) , to "**Costs, Charges and Expenses**" for "**Claims**" brought, commenced and conducted within the territorial limits and jurisdiction of Canada;

and provided that with respect to 2), above, the "**Corporation**" is either not permitted or required, or fails by reason of "**Financial Impairment**", to indemnify the "**Insured Person(s)**" for purposes of this endorsement, the Certificate of Incorporation, by-laws and Board of Directors' resolutions of the "**Corporation**" shall be deemed to provide indemnification to the "**Insured Persons**" to the fullest extent permitted by law.

The Insurer's maximum Limit of Liability for all "**Loss**", including "**Costs, Charges and Expenses**", with respect to any coverage provided by this endorsement shall not exceed the amount shown on the "**Declaration**", each "**Policy Year**", which amount is included within, and not in addition to any applicable limit of liability stated in the "**Declarations**".

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

**NAMED INSURED AMENDMENT ENDORSEMENT
St. Matthews House and St. Matthews Children's Centre**

This Endorsement Changes The Policy. Please Read It Carefully.

THIS COVERAGE FORM INSURES TO THE EXTENT SPECIFIED IN THE DECLARATIONS PAGE(S), SUBJECT TO ALL THE TERMS AND CONDITIONS OF THIS COVERAGE FORM AND IS ALSO SUBJECT TO THE GENERAL POLICY SECTION OF THIS POLICY.

Subject to the conditions, limitations and exclusions set forth in the policy and wordings and endorsements attached hereto, the following is hereby made part of the policy.

It is understood and agreed that the "Named Insured" is amended to read as follows:

SCHEDULE OF NAMED INSUREDS

1. St. Matthews House and St. Matthews Children's Centre
3. St. Mathews House o/a St Matthew's House at St Peters

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