

Form #PS-CGL-2201 (Rev. Feb 19, 2013)

Commercial General Liability Insurance for Protection Services Firms

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. The word 'Insured' means any person or organization qualifying as such under SECTION II – WHO IS AN INSURED. Other words and phrases that appear in bolded and capitalized have special meaning.

SECTION I – COVERAGES**COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

This insurance applies only when an Each Occurrence Limit is indicated in the Declarations Page.

1. Insuring Agreement

- (a) The Insurer will pay those sums that the Insured becomes legally obligated to pay as **DAMAGES** because of **BODILY INJURY** or **PROPERTY DAMAGE** to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B, D and E. This insurance applies only to **BODILY INJURY** and **PROPERTY DAMAGE** which occurs during the policy period. The **BODILY INJURY** or **PROPERTY DAMAGE** must be caused by an **OCCURRENCE**. The **OCCURRENCE** must take place in the **COVERAGE TERRITORY**. The Insurer will have the right and duty to defend any **ACTION** seeking those damages but:
- (1) The amount the Insurer will pay for **DAMAGES** is limited as described in SECTION III – LIMITS OF INSURANCE.
 - (2) The Insurer may investigate and settle any claim or **ACTION** at our discretion; and
 - (3) The Insurer's right and duty to defend end when the Insurer has used up the applicable limit of insurance in the payment of judgements or settlements under Coverages A, B, D, E or Medical Expenses under Coverage C.
- (b) **DAMAGES** because of **BODILY INJURY** include **DAMAGES** claimed by any person or organization for care, loss of services or death resulting at any time from the **BODILY INJURY**.
- (c) **PROPERTY DAMAGE** that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the **OCCURRENCE** that caused it.
- (d) The Insurer will pay those sums that the Insured becomes legally obligated to pay as **DAMAGES** because of **BODILY INJURY** to any person arising out of negligence of the Insured in preventing or in failing to prevent an **ASSAULT AND/OR BATTERY** by an **EMPLOYEE** of the Insured or third party which occurs during the course of or as a result of **THE NAMED INSURED'S WORK**.

Coverage provided under Item 1(d) does not apply to:

- (1) Any actual, alleged or threatened discrimination, sexual abuse, harassment or molestation by any person.
- (2) **BODILY INJURY** to:
 - (i) a person arising out of any refusal to employ that person
 - (ii) a person arising out of any termination of that person's employment; or
 - (iii) a person arising out of any employment-related practices, policies, acts or omissions, such as coercion, discipline, harassment, or discrimination directed at that person; or
 - (iv) the spouse, child, parent, brother or sister of that person as a consequence of **BODILY INJURY** to that person at whom any of the employment-related practices described in paragraphs (i), (ii) or (iii) above is directed.

2. Exclusions

This insurance does not apply to:

- (a) **Expected or Intended Injury**
BODILY INJURY or **PROPERTY DAMAGE** expected or intended from the standpoint of the Insured. This exclusion does not apply to **BODILY INJURY** or **PROPERTY DAMAGE** resulting from the use of reasonable force to protect persons or property or resulting from the application of or the failure to obtain first aid treatment for an injured person.
- (b) **Contractual Liability**
BODILY INJURY or **PROPERTY DAMAGE** for which the Insured is obligated to pay **DAMAGES** by reason of the assumption of liability in a contract or agreement.
This exclusion does not apply to liability for **DAMAGES**:
 - (1) Assumed in a contract or agreement that is an **INSURED CONTRACT**; or
 - (2) That the Insured would have in the absence of the contract or agreement.
- (c) **Workers' Compensation and Similar Law**
Any obligation of the Insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
- (d) **Employer's Liability**
BODILY INJURY to an **EMPLOYEE** of the Insured arising out of and in the course of employment by the Insured.
This exclusion applies:
 - (1) Whether the Insured may be liable as an employer or in any other capacity; and
 - (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.
This exclusion does not apply:
 - (i) To liability assumed by the Insured under an **INSURED CONTRACT**; or
 - (ii) To employees on whose behalf contributions are made by or required to be made by the Insured under the provisions of any workers compensation law.
- (e) **Automobile**
 - (1) **BODILY INJURY** or **PROPERTY DAMAGE** arising out of the ownership, use, operation or entrustment to others by or on behalf of any Insured of:
 - (i) Any **AUTOMOBILE**;
 - (ii) Any motorized snow vehicle or its trailers;
 - (iii) Any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity; or
 - (iv) Any vehicle which if it were to be insured would be required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, but this exclusion does not apply to the ownership, use, operation or entrustment to

others of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment.

- (2) **BODILY INJURY** or **PROPERTY DAMAGE** with respect to which any motor vehicle liability policy is in effect or would be in effect but for its termination upon exhaustion of its limit of liability or is required by law to be in effect.

This Exclusion (e) does not apply to **BODILY INJURY** to an employee of the Insured while acting within the scope of their duties during the course of their employment on whose behalf contributions are made by or required to be made by the Insured under the provisions of any workers' compensation law.

(f) **Watercraft**

BODILY INJURY or **PROPERTY DAMAGE** arising out of the ownership, maintenance, use, operation, loading or unloading, or entrustment to others, by or on behalf of any Insured of any watercraft.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises the Named Insured owns or rents;
- (2) A watercraft the Named Insured does not own that is:
 - (i) Less than 8 metres long; and
 - (ii) Not being used to carry persons or property for a charge.

This Exclusion (f) does not apply to **BODILY INJURY** to an employee of the Insured while acting within the scope of their duties during the course of their employment on whose behalf contributions are made by or required to be made by the Insured under the provisions of any workers' compensation law or assumed by the Insured under an **INSURED CONTRACT**.

(g) **Aircraft**

(1) **BODILY INJURY** or **PROPERTY DAMAGE** arising out of the ownership, maintenance, use, operation, loading or unloading, or the entrustment to others, by or on behalf of any Insured of:

- (i) Any aircraft; or
- (ii) Any air cushion vehicle.

(2) **BODILY INJURY** or **PROPERTY DAMAGE** arising out of the ownership, existence, use, operation or entrustment to others by or on behalf of any Insured of any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.

(h) **Property Damage**

PROPERTY DAMAGE to:

- (1) Property owned or occupied by or rented to the Insured or, except with respect to the use of elevators and escalators, property held by the Insured for sale or property entrusted to the Insured for storage or safekeeping;
- (2) Premises the Insured sells, gives away or abandons, if the **PROPERTY DAMAGE** arises out of any part of those premises except if the premises are **THE NAMED INSURED'S WORK** and were never occupied, rented or held for rental by the Insured;
- (3) Except with respect to liability under sidetrack agreements covered by this policy or the use of elevators or escalators at premises owned, rented or controlled by the Insured:
 - (i) Property while on premises owned by or rented to the Insured for the purpose of having operations performed on such property by or on behalf of the Insured;
 - (ii) Tools or equipment while being used by the Insured in performing his operations;
 - (iii) Property in the Insured's care, custody or control which is to be installed, erected, or used in construction by the Insured;
 - (iv) That particular part of real property on which the Insured or any contractor or subcontractor working directly or indirectly on the Insured's behalf is performing operations, if the **PROPERTY DAMAGE** arises out of those operations;
 - (v) That particular part of any property that must be restored, repaired or replaced because **THE NAMED INSURED'S WORK** was incorrectly performed on it except for **PROPERTY DAMAGE** included in the **PRODUCTS-COMPLETED OPERATIONS HAZARD**; or
 - (vi) Personal property in your care, custody or control;

Exclusion h, item (3) iv., (3) v. and (3) vi. does not apply to premises or personal property for which the Insured provides design, installation, testing, monitoring or servicing of alarm or fire protection systems, or for which the Insured provides security guard services, telephone answering services, or locksmithing services.

The insurance afforded hereunder shall be excess insurance over any valid and collectible property insurance (including deductible portion thereof) available to the Insured, such as but not limited to Fire and Extended Coverage, Builders Risk Coverage or Installation Risk Coverage and the Other Insurance condition is amended accordingly.

- (i) **PROPERTY DAMAGE** to **THE NAMED INSURED'S PRODUCT** arising out of it or any part of it, but this exclusion shall only apply to that particular part of the work performed out of which the Property Damage arises.

- (j) **PROPERTY DAMAGE** to **THE NAMED INSURED'S WORK** arising out of it or any part of it and included in the **PRODUCTS-COMPLETED OPERATIONS HAZARD**, but this exclusion shall only apply to that particular part of the work performed out of which the Property Damage arises. This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on the Insured's behalf by a subcontractor.

(k) **Recall of Products, Work or Impaired Property**

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

- (1) **THE NAMED INSURED'S PRODUCT**;
- (2) **THE NAMED INSURED'S WORK**; or
- (3) **IMPAIRED PROPERTY**;

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

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

This insurance applies only when a Personal and Advertising Injury Limit is indicated on the Declarations Page.

1. Insuring Agreement

- (a) The Insurer will pay those sums that the Insured becomes legally obligated to pay as damages because of **PERSONAL AND ADVERTISING INJURY** to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS-COVERAGES A, B, D and E. The Insurer will have the right and duty to defend any **ACTION** seeking those damages but:
 - (1) The amount the Insurer will pay for damages is limited as described in SECTION III – LIMITS OF INSURANCE;
 - (2) The Insurer may investigate and settle any claim or **ACTION** at our discretion; and
 - (3) The Insurer's right and duty to defend end when the Insurer have used up the applicable limit of insurance in the payment of judgements or settlements under Coverages A, B, D, or E, or medical expenses under Coverage C.
- (b) This insurance applies to **PERSONAL AND ADVERTISING INJURY** only if caused by an offence:
 - (1) Committed in the **COVERAGE TERRITORY** during the policy period; and
 - (2) Arising out of the conduct of the Named Insured's business.

2. Exclusions

This insurance does not apply to **PERSONAL AND ADVERTISING INJURY**:

- (1) **Material Published with Knowledge of Falsity**
Arising out of electronic, oral or written publication of material, if done by or at the direction of the Insured with knowledge of its falsity.
- (2) **Material Published Prior to Policy Period**
Arising out of electronic, oral or written publication of material whose first publication took place before the beginning of the policy period.
- (3) **Criminal Acts**
Arising out of the wilful violation of a penal statute or ordinance committed by or with the consent of the Insured.
- (4) **Contractual Agreement**
For which the Insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the Insured would have in the absence of the contract or agreement.
- (5) **Offence Related to Employment**
Sustained by any person as a result of an offence directly or indirectly related to the employment of such person by the Named Insured.
- (6) **Breach of Contract**
PERSONAL AND ADVERTISING INJURY arising out of a breach of contract, except an implied contract to use another's advertising idea in your advertisement.
- (7) **Quality or Performance of Goods – Failure to Conform to Statements**
PERSONAL AND ADVERTISING INJURY arising out of the failure of goods, products or services to conform with any electronic, oral, written or other representation or warranty of durability, fitness or quality of performance made in your **ADVERTISEMENT**.
- (8) **Wrong Description of Prices**
PERSONAL AND ADVERTISING INJURY arising out of the wrong description of the price of goods, products or services state in the Named Insured's **ADVERTISEMENT**.
- (9) **Insureds in Media and Internet Type Businesses**
PERSONAL AND ADVERTISING INJURY committed by an Insured whose business is advertising, broadcasting, publishing or telecasting.
- (10) **Electronic chatrooms or Bulletin Boards**
PERSONAL AND ADVERTISING INJURY arising out of an electronic chatroom or bulletin board the Insured hosts, owns, or over which the Insured exercises control.
- (11) **Unauthorized Use of Another's Name or Product**
PERSONAL AND ADVERTISING INJURY arising out of the unauthorized use of another's name or product in the Named Insured's email address, domain name or metatag, or any other similar tactics to mislead another's potential customers.
- (12) **Electronic Distribution of Information**
PERSONAL AND ADVERTISING INJURY arising out of the distribution or display of information, by means of an Internet Web Site, an Intranet, Extranet or similar device or system designed or intended for electronic communication of information.

COVERAGE C. MEDICAL PAYMENTS

This insurance applies only when a Medical Expense Limit is indicated in the Declarations Page.

1. Insuring Agreement

- (a) The Insurer will pay medical expenses as described below for **BODILY INJURY** caused by an accident:
 - (1) On premises the Named Insured owns or rents;
 - (2) On ways next to premises the Named Insured owns or rents; or
 - (3) Because of the Named Insured's operations provided that:
 - (i) The accident takes place in the **COVERAGE TERRITORY** and during the policy period;
 - (ii) The expenses are incurred and reported to the Insurer within one (1) year of the date of the accident; and
 - (iii) The injured person submits to examination, at the Insurer's expense, by physicians of the Insurer's choice as often as the Insurer reasonably requires.
- (b) The Insurer will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. The Insurer will pay reasonable expenses for:
 - (1) First aid at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

The Insurer will not pay expenses for **BODILY INJURY**:

- (a) To any Insured.
- (b) To a person hired to do work for or on behalf of any Insured or a tenant of any Insured.
- (c) To a person injured on that part of premises the Named Insured owns or rents that the person normally occupies.
- (d) To a person, whether or not an employee of any Insured, who at the time of injury is entitled to benefits under any workers compensation or disability benefits law or a similar law.
- (e) To a person injured while taking part in athletics.
- (f) The payment of which is prohibited by law.
- (g) Included within the **PRODUCTS-COMPLETED OPERATIONS HAZARD**.
- (h) Excluded under Coverage A.

COVERAGE D. TENANTS' LEGAL LIABILITY

This insurance applies only when a Tenants' Legal Liability Limit is indicated in the Declarations Page.

1. Insuring Agreement

The Insurer will pay those sums that the Insured becomes legally obligated to pay as damages because of **PROPERTY DAMAGE** to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS- COVERAGES A, B, D and E. This insurance applies only to **PROPERTY DAMAGE** to structures or portions thereof including fixtures permanently attached thereto rented to the Named Insured or occupied by the Named Insured. This insurance applies only to **PROPERTY DAMAGE** which occurs during the policy period. The **PROPERTY DAMAGE** must be caused by an **OCCURRENCE**. The **OCCURRENCE** must take place in the **COVERAGE TERRITORY**. The Insurer will have the right and duty to defend any **ACTION** seeking those damages but:

- (a) The amount the Insurer will pay for damages is limited as described in SECTION III – LIMITS OF INSURANCE;
- (b) The Insurer may investigate and settle any claim or **ACTION** at the Insurer's discretion; and
- (c) The Insurer's right and duty to defend end when the Insurer has used up the applicable limit of insurance in the payment of judgements or settlements under Coverages A, B, D, E or Medical Expenses under Coverage C.

2. Exclusions

This insurance does not apply to:

- (a) **PROPERTY DAMAGE** expected or intended from the standpoint of the Insured.
- (b) **PROPERTY DAMAGE** for which the Insured is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the Insured would have in the absence of the contract or agreement.
- (c) **PROPERTY DAMAGE** for wear and tear, gradual deterioration, normal upkeep, latent defect, or inherent vice.
- (d) **PROPERTY DAMAGE** for the cost of making good:
 - (i) faulty or improper material;
 - (ii) faulty or improper workmanship;
 - (iii) faulty or improper design;
 provided, however, to the extent otherwise insured and not otherwise excluded under this policy, resultant **PROPERTY DAMAGE** to the property is insured.

COVERAGE E. – FAILURE TO PERFORM / FAILURE TO PROVIDE WARRANTED PROTECTION

Coverage E – Failure to Perform is applicable under “Coverage A – Bodily Injury and Property Damage Liability” , and “Coverage B – Personal and Advertising Injury Liability”, and subject to all of the conditions, exclusions, and limitations applicable to either of those two coverage sections.

We will pay those losses resulting from the failure of **THE NAMED INSURED'S PRODUCTS** or **THE NAMED INSURED'S WORK** performed by or on behalf of the Insured to meet the level of performance, quality, fitness, or durability warranted or represented by the Insured and including loss of use of tangible property of others resulting from the sudden and accidental physical injury to or destruction of **THE NAMED INSURED'S PRODUCTS** or **THE NAMED INSURED'S WORK** performed by or on behalf of the Insured after such products or work have been put to use by any person or organization other than an Insured - provided that such accident or occurrence happens or commences during the policy period, subject to the limits of liability, exclusions, conditions and other terms contained herein.

COMMON EXCLUSIONS – COVERAGES A, C, D and E

This insurance does not apply to:

1. Nuclear Energy Liability

- (a) to liability imposed by or arising under the Nuclear Liability Act; nor
- (b) 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 it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other Insurer or group or pool of Insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; nor
- (c) 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:

- (a) The term **NUCLEAR ENERGY HAZARD** means the radioactive, toxic, explosive, or other hazardous properties of **RADIOACTIVE MATERIAL**;
- (b) The term **RADIOACTIVE MATERIAL** means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances that the 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;
- (c) The term **NUCLEAR FACILITY** means:
 - (i) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - (ii) any equipment or device designed or used for
 - (1) separating the isotopes of plutonium, thorium and uranium or any one or more of them,
 - (2) processing or utilizing spent fuel, or
 - (3) handling, processing or packaging waste;
 - (iii) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - (iv) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste **RADIOACTIVE MATERIAL**; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
- (d) The **FISSIONABLE SUBSTANCE** means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

2. War Risks

BODILY INJURY or PROPERTY DAMAGE due to war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

COMMON EXCLUSIONS – COVERAGES A, B, C, D AND E

This insurance does not apply to:

1. Pollution Liability

- (a) **BODILY INJURY or PROPERTY DAMAGE or PERSONAL AND ADVERTISING INJURY** arising out of the actual, alleged or threatened discharge, dispersal, seepage, release or escape of **POLLUTANTS**:
 - (1) At or from any premises, site or location which is, or was at any time, owned, managed, rented to others or occupied by an Insured, or rented to an Insured;
 - (2) At or from any premises, site or location which is, or was at any time, used by or for an Insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for an Insured or any person or organization for whom the Insured may be legally responsible; or
 - (4) At or from any premises, site or location on which an Insured or any contractors or sub-contractors working directly or indirectly on behalf of an Insured are performing operations:
 - (i) if the **POLLUTANTS** are brought on or to the premises, site or location in connection with such operations; or
 - (ii) if the operations are to test for, monitor, **CLEAN UP**, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effect of **POLLUTANTS**.
- (b) Any loss, cost or expense arising out of any governmental direction or request that an Insured test for, monitor, **CLEAN UP**, remove, contain, treat, detoxify or neutralize **POLLUTANTS**.
- (c) Fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of any **POLLUTANTS**.
- (d) Sub paragraphs (1) and (4) (i) of paragraph (a) of this exclusion do not apply to **BODILY INJURY or PROPERTY DAMAGE** caused by:
 - (1) heat, smoke or fumes from a **HOSTILE FIRE**. As used in this exclusion, a **HOSTILE FIRE** means one which becomes uncontrollable or breaks out from where it was intended to be.
 - (2) An unexpected or unintentional discharge, dispersal, release or escape of **POLLUTANTS**, provided such discharge, dispersal, release, or escape of **POLLUTANTS**:
 - (i) results in the injurious presence of any **POLLUTANTS** in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and
 - (ii) is detected within 120 hours after the commencement of the discharge, dispersal, release or escape; and
 - (iii) is reported to the Insurer within 120 hours of being detected; and
 - (iv) does not occur in a quantity or with a quality that is routine or usual to the business of the Insured.

POLLUTANTS means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

CLEAN-UP means reasonable and necessary costs, charges, and expenses, including legal expenses with our written consent, incurred in the investigation, removal, neutralization, remediation, or immobilization of **POLLUTANTS** including associated monitoring or disposal of soil, surface water, groundwater or other contamination to the extent required by environmental law, or that have been incurred by the federal or any provincial, territorial or local government within Canada, or by third parties.

2. Medical Malpractice Injury

BODILY INJURY (other than Incidental Medical Malpractice Injury) or **PROPERTY DAMAGE or PERSONAL AND ADVERTISING INJURY** due to the rendering of or failure to render any medical service or treatment by any person, firm or corporation causing the Medical Malpractice Injury who is engaged in the business or occupation of providing any medical services or treatment.

Incidental Medical Malpractice Injury means **BODILY INJURY** arising out of the rendering of or failure to render, during the policy period, the following services:

- (1) medical surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith; or
 - (2) the furnishing or dispensing of drugs or medical dental or surgical supplies or appliance;
- by any Insured or any Indemnitee causing the Incidental Medical Malpractice Injury who is not engaged in the business or occupation of providing of the services described in (1) and (2) above.

3. Asbestos

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

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **BODILY INJURY, PROPERTY DAMAGE or PERSONAL AND ADVERTISING INJURY**.

4. Fungi or Spores

- (a) **BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY** or Medical Payments or any other cost, loss or expense incurred by others, arising directly or indirectly, from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any **FUNGI or SPORE(S)** 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 SPORE(S)**; or
- (b) Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with (a) above; or
- (c) 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 (a) or (b) above.

This exclusion applies regardless of the cause of the loss or damage, other causes of the injury, damage, expense or costs or whether other causes acted concurrently or in any sequence to produce the injury, damage, expense or costs.

This exclusion shall not apply to **BODILY INJURY** or **PROPERTY DAMAGE** which results directly from a **PRODUCTS-COMPLETED OPERATIONS HAZARD** not otherwise excluded by this policy subject to the following limits:

Each Occurrence: \$25,000.
Fungi Liability Aggregate Limit: \$50,000

This endorsement does not apply to any **FUNGI** or **SPORES** that are, are on, or are contained in **THE NAMED INSURED'S PRODUCT**, if **THE NAMED INSURED'S PRODUCT** is intended for ingestion by humans or animals and is included in the **PRODUCTS-COMPLETED OPERATIONS HAZARD**.

For the purpose of this exclusion, the following definitions are added:

- (a) **FUNGI** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any **FUNGI** or **SPORE(S)** or resultant mycotoxins, allergens, or pathogens.
- (b) **SPORE(S)** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any **FUNGI**.

5. Terrorism

BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY or Medical Payments or any other cost, loss or expense incurred by others, arising directly or indirectly, in whole or in part, out of **TERRORISM** or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate **TERRORISM**. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the **BODILY INJURY, PROPERTY DAMAGE** or **PERSONAL AND ADVERTISING INJURY** or Medical Payments.

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.

6. Stacking of Limits

Any claim(s) that is recoverable under any other policy issued by the Insurer or issued by the Managing General Agent is excluded under this policy.

7. Data Exclusion

- (a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of **ELECTRONIC DATA** from any cause whatsoever (including but not limited to **COMPUTER VIRUS**) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting there from, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, and software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. **COMPUTER VIRUS** includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

- (b) However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this Policy, subject to all its terms, conditions and exclusions will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril. Listed Perils: Fire, Explosion
- (c) Notwithstanding any provision to the contrary within the Policy, it is understood and agreed as follows: Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the **ELECTRONIC DATA** from back up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such **ELECTRONIC DATA**. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such **ELECTRONIC DATA** to the Assured or any other party, even if such **ELECTRONIC DATA** cannot be recreated, gathered or assembled

SUPPLEMENTARY PAYMENTS – COVERAGES A, B, D AND E

The Insurer will pay, with respect to any claim or **ACTION** the Insurer defends:

- (a) All expenses the Insurer incurs.
- (b) The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. The Insurer does not have to furnish these bonds.
- (c) All reasonable expenses incurred by the Insured at the Insurer's request to assist the Insurer in the investigation or defence of the claim or **ACTION**, including actual loss of earnings up to \$100 a day because of time off from work.
- (d) All costs taxed against the Insured in the **ACTION** and any interest accruing after entry of judgement upon that part of the judgement which is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

1. If the Named Insured is designated in the Declarations Page as:
 - (a) An individual, the Named Insured and the Named Insured's spouse are Insureds, but only with respect to the conduct of a business of which the Named Insured is the sole owner.
 - (b) A partnership, limited liability partnership or joint venture, the Named Insured is an Insured. The Named Insured's members, the Named Insured's partners, and their spouses are also Insureds, but only with respect to the conduct of the Named Insured's business.
 - (c) A limited liability company, the Named Insured is an Insured. The named Insured's members are also Insureds, but only with respect to the conduct of the Named Insured's business.
 - (d) An organization other than a partnership limited liability partnership, joint venture or limited liability company, the Named Insured is an Insured. The Named Insured's "executive officers" and directors are Insureds, but only with respect to their duties as the Named Insured's officers or directors. The Named Insured's stockholders are also Insureds, but only with respect to their liability as stockholders.
 - (e) A trust, the Named Insured is an Insured.
 - (f) Any person or organization to whom the Named Insured is obligated by virtue of written contract or agreement to provide insurance such as is afforded by this policy, but only to the extent of such obligation, and only with respect to operations by or on behalf of the Named Insured, or to facilities owned or used by the Named Insured.

2. Each of the following is also an Insured:
- (a) The Named Insured's **VOLUNTEER WORKER(S)** only while performing duties related to the conduct of the Named Insured's business or the Named Insured's employees, other than the Named Insured's **EXECUTIVE WORKER(S)** (if the Named Insured is an organization other than a partnership, limited liability partnership, joint venture or limited liability company) or the named Insured's manager (if the Named Insured is a limited liability company), but only for acts within the scope of their employment by the Named Insured or while performing duties related to the conduct of the Named Insured's business but this insurance shall not apply to the liability of a **VOLUNTEER WORKER** or an **EMPLOYEE** of the Named Insured for:
 - (1) (a) **BODILY INJURY** or **PERSONAL AND ADVERTISING INJURY** to the Named Insured, to the Named Insured's members (if the Named Insured is a limited liability company) or to a co **EMPLOYEE** while in the course of his or her employment or performing duties related to the conduct of the Named Insured's business, or to the Named Insured's other "volunteer workers" while performing duties related to the conduct of the Named Insured's business; or
 - (b) To the spouse, child, parent, brother or sister of the co-**EMPLOYEE** or **VOLUNTEER WORKER** as a consequence of Paragraph (1) (a) above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above;
 - (d) Arising out of the Named Insureds' providing or failing to provide professional health care services; or
 - (e) To any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law.
 - (2) **BODILY INJURY** or **PERSONAL AND ADVERTISING INJURY** to any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law; or
 - (3) **BODILY INJURY** or **PERSONAL AND ADVERTISING INJURY** arising out of his or her providing or failing to provide professional health care services; or
 - (4) **PROPERTY DAMAGE** to property owned, occupied or used by or rented or loaned to, in the care, custody or control of or over which physical control is being exercised for any purpose by that **EMPLOYEE**, any of the Named Insured's other "employees", the Named Insured or **VOLUNTEER WORKER** or any of the Named Insured's partners or members (if the Named Insured is a partnership, limited liability partnership or joint venture) or any member (if the named Insured is a limited liability company).
- (b) Any person (other than the Named Insured's **EMPLOYEE** or **VOLUNTEER WORKER**), or any organization while acting as the named Insured's real estate manager.
 - (c) Any person or organization having proper temporary custody of the Named Insured's property if the Named Insured dies, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until the Named Insured's legal representative has been appointed.
 - (d) The Named Insured's legal representative if the Named Insured dies, but only with respect to duties as such. That representative will have all the Named Insured's rights and duties under this policy.
3. Any organization the Named Insured newly acquires or forms, other than a partnership limited liability partnership or joint venture or limited liability company, and over which the Named Insured maintains ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However:
- (a) Coverage under this provision is afforded only until the 90th day after the Named Insured acquires or forms the organization or the end of the policy period, whichever is earlier;
 - (b) Coverages A, D and E do not apply to **BODILY INJURY** or **PROPERTY DAMAGE** that occurred before the Named Insured acquired or formed the organization; and
 - (c) Coverage B does not apply to **PERSONAL AND ADVERTISING INJURY** arising out of an offence committed before the Named Insured acquired or formed the organization.
- No person or organization is an Insured with respect to the conduct of any current or past partnership or joint venture, limited liability partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations Page or added by endorsement hereon.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance stated in the Declarations Page and the rules below fix the most the Insurer will pay regardless of the number of:
 - (a) Insureds;
 - (b) Claims made or **ACTIONS** brought; or
 - (c) Persons or organizations making claims or bringing **ACTIONS**.
2. The Aggregate Limit is the most the Insurer will pay under Coverage A and Coverage E for the sum of all damages arising out of the **PRODUCTS-COMPLETED OPERATIONS HAZARD** in any one period of twelve months terminating on an anniversary of the inception date of the policy.
3. Subject to 2 above, the Each Occurrence Limit is the most the Insurer will pay for the sum of:
 - (a) Damages under Coverage A and E; and
 - (b) Medical expenses under Coverage C;
 because of all **BODILY INJURY** and **PROPERTY DAMAGE** arising out of any one **OCCURRENCE**.
4.
 - (a) If a deductible amount is shown in the Declarations Page, then subject to 3 above, the Insurer's obligation under Coverage A or E to pay as damages because of **BODILY INJURY** or **PROPERTY DAMAGE** applies only to the amount of damages in excess of the deductible amount stated in the Declarations Page. The limits of insurance applicable to each **OCCURRENCE** for **BODILY INJURY** and **PROPERTY DAMAGE** liability will be reduced by the amount of such deductible. The Aggregate Limit for such coverages shall not be reduced by the application of such deductible amounts.
 - (b) The deductible amount applies to all damages because of **PROPERTY DAMAGE** sustained by any one person or organization as the result of any one **OCCURRENCE**.
 - (c) The deductible amount in the Declarations Page specifies a deductible on a "per claim" or "per occurrence" basis. In the event of a "per claim" deductible, if more than one claim arises out of the same **OCCURRENCE**, then the deductible amount shall be applied to each claim separately. In the event of a "per occurrence" deductible, then the deductible amount shall be applied once to each **OCCURRENCE** regardless of the number of claimants involved.
 - (d) If a reimbursement amount is shown in the Declarations Page, then subject to 3 above, the Insurer's obligation under Coverage A to pay as damages because of **BODILY INJURY** or **PROPERTY DAMAGE** and as supplementary payments applies only to the amount of damages and supplementary payments in excess of the reimbursement amount stated in the Declarations Page. The limits of insurance applicable to each **OCCURRENCE** for **BODILY INJURY** and **PROPERTY DAMAGE** liability will be reduced by the amount of such deductible. The Aggregate Limit for such coverages shall not be reduced by the application of such deductible amounts.
 - (e) The Insured shall reimburse the Insurer up to the reimbursement amount shown in the Declarations Page with respect to all claims, legal fees and adjusting expenses combined in any one "occurrence," and the Insurer shall be liable only for loss, damage or expense in excess of that amount.

5. The Personal and Advertising Injury Limit is the most the Insurer will pay under Coverage B for the sum of all damages because of all **PERSONAL AND ADVERTISING INJURY** sustained by any one person or organization.
6. Subject to 3 above, the Medical Expense Limit is the most the Insurer will pay under Coverage C for all medical expenses because of **BODILY INJURY** sustained by any one person.
7. The Tenants' Legal Liability Limit is the most the Insurer will pay under Coverage D for damages because of **PROPERTY DAMAGE** to any one premises.
 - (a) The Insurer's obligation under Coverage D, to pay as damages because of **PROPERTY DAMAGE** applies only to the amount of damages in excess of the deductible amount stated in the Declarations Page. The limit of insurance applicable to any one premises for Tenants' Legal Liability will be reduced by the amount of such deductible.
 - (b) The deductible amount applies to all damages because of **PROPERTY DAMAGE** as the result of any one **OCCURRENCE**.
8. The terms of this insurance, including those with respect to:
 - (a) the Insurer's right and duty to defend any **ACTION** seeking those damages; and
 - (b) the duties of an Insured in the event of an **OCCURRENCE**, claim or **ACTION** apply irrespective of the application of the deductible amount.
9. The Insurer may pay any part or all of the deductible amount to effect settlement of any claim or **ACTION** and, upon notification of the action taken, the Named Insured shall promptly reimburse the Insurer for such part of the deductible amount as has been paid by the Insurer.
10. All damages arising out of one lot of goods or products prepared or acquired by the Named Insured, or by another trading under his name, shall be considered as arising out of one **OCCURRENCE** as regards **BODILY INJURY** and **PROPERTY DAMAGE**.

The limits of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations Page, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. **Bankruptcy**
Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve the Insurer of the Insurer's obligations under this policy.
2. **Canadian Currency Clause**
All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.
3. **Cancellation**
 - (a) The first Named Insured shown in the Declarations Page may cancel this policy by mailing or delivering to the Insurer advance written notice of cancellation.
 - (b) The Insurer may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) Fifteen (15) days before the effective date of cancellation if the Insurer cancels for non-payment of premium; or
 - (2) Thirty (30) days before the effective date of cancellation if the Insurer cancels for any other reason. Except in Quebec, if notice is mailed, cancellation takes effect fifteen (15) or thirty (30) days after receipt of the letter by the post office to which it is addressed, depending upon the reason for cancellation.
In Quebec, the Insurer's notice of cancellation takes effect either fifteen (15) or thirty (30) days after receipt of the notice at the last known address of the first Named Insured, depending upon the reason for cancellation.
 - (c) The Insurer will mail or deliver the Insurer's notice to the first Named Insured's last mailing address known to the Insurer.
 - (d) The policy period will end on the effective date of cancellation.
 - (e) If this policy is cancelled, the Insurer will send the first Named Insured any premium refund due. If the Insurer cancels, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if the Insurer has not made or offered a refund.
 - (f) If notice is mailed, proof of mailing will be sufficient proof of notice.
4. **Changes**
This policy contains all the agreements between the Named Insured and the Insurer concerning the insurance afforded. The first Named Insured shown in the Declarations Page is authorized to make changes in the terms of this policy with the Insurer's consent. The terms of this policy may be amended or waived only by endorsement issued by the Insurer and made a part of this policy.
5. **Duties in the Event of Occurrence, Claim or Action**
 - (a) The Named Insured must ensure that the Insurer is notified promptly of an **OCCURRENCE** which may result in a claim. Notice should include:
 - (1) How, when and where the **OCCURRENCE** took place; and
 - (2) The names and addresses of any injured persons and of witnesses.
 - (b) If a claim is made or **ACTION** is brought against any Insured, the Named Insured must ensure that the Insurer receives prompt written notice of the claim or **ACTION**.
 - (c) The Named Insured and any other involved Insured must:
 - (1) Immediately send the Insurer copies of any demands, notices, summonses or legal papers received in connection with the claim or **ACTION**;
 - (2) Authorize the Insurer to obtain records and other information;
 - (3) Cooperate with the Insurer in the investigation, settlement or defence of the claim or **ACTION**; and
 - (4) Assist the Insurer, upon the Insurer's request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.
 - (d) No Insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Insurer's consent.

6. Examination of The Named Insured's Books and Records

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

7. Inspections and Surveys.

The Insurer has the right but is not obligated to:

- (a) Make inspections and surveys at any time;
- (b) Give the Named Insured reports on the conditions the Insurer finds; and
- (c) Recommend any changes.

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

- (1) Are safe or healthful; or
- (2) Comply with laws, regulations, codes or standards.

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

8. Legal Action Against the Insurer

No person or organization has a right under this policy:

- (a) To join the Insurer as a party or otherwise bring the Insurer into an **ACTION** asking for damages from an Insured; or
- (b) To sue the Insurer on this policy unless all of its terms have been fully complied with.

A person or organization may sue the Insurer to recover on an agreed settlement or on a final judgement against an Insured obtained after an actual trial; but the Insurer will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by the Insurer, the Insured and the claimant or the claimant's legal representative. Every **ACTION** or proceeding against the Insurer shall be commenced within one year next after the date of such judgement or agreed settlement and not afterwards. If this policy is governed by the law of Quebec every **ACTION** or proceeding against the Insurer shall be commenced within three years from the time the right of action arises.

9. Other Insurance

If other valid and collectible insurance is available to the Insured for a loss the Insurer covers under Coverages A, B, D or E of this policy the Insurer's obligations are limited as follows:

- (a) Primary Insurance
This insurance is primary except when (b) below applies. If this insurance is primary, the Insurer's obligations are not affected unless any of the other insurance is also primary. Then, the Insurer will share with all that other insurance by the method described in (c) below.
- (b) Excess Insurance
This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (1) That is Property Insurance such as, but not limited to, Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for **THE NAMED INSURED'S WORK** or for premises rented to the Named Insured; or
 - (2) If the loss arises out of the maintenance or use of watercraft to the extent not subject to Exclusion (f) of Coverage A (Section 1).

When this insurance is excess, the Insurer will have no duty under Coverage A, B, D or E to defend any claim or **ACTION** that any other Insurer has a duty to defend. If no other Insurer defends, the Insurer will undertake to do so, but the Insurer will be entitled to all the Insured's rights against all those other Insurers.

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

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance. The Insurer will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations Page of this policy.

- (c) Method of Sharing

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

If any of the other insurance does not permit contribution by equal shares, the Insurer will contribute by limits. Under this method, each Insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all Insurers.

10. Premium Audit

This clause is applicable only when Premium Audit Adjustment terms are shown in the Declarations Page.

- (a) The Insurer will compute all premiums for this policy in accordance with the Insurer's rules and rates.
- (b) Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period the Insurer will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, the Insurer will return the excess to the first Named Insured subject to the retention of the minimum premium shown in the Declarations Page of this policy.
- (c) The first Named Insured must keep records of the information the Insurer needs for premium computation, and send the Insurer copies at such times as the Insurer may request.

11. Premiums

The first Named Insured shown in the Declarations Page:

- (a) Is responsible for the payment of all premiums; and
- (b) Will be the payee for any return premiums the Insurer pays.

12. Representations

By accepting this policy, the Named Insured agrees:

- (a) The statements in the Declarations Page are accurate and complete;
- (b) Those statements are based upon representations the Named Insured made to the Insurer; and
- (c) The Insurer has issued this policy in reliance upon the Named Insured's representations.

13. Separation

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

- (a) As if each Named Insured were the only Named Insured; and
- (b) Separately to each Insured against whom claim is made or **ACTION** is brought.

14. Transfer of Rights of Recovery Against Others to The Insurer

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

15. Transfer of The Named Insured's Rights and Duties Under this Policy

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

SECTION V – DEFINITIONS

1. **ACTION** means a civil proceeding in which damages because of **BODILY INJURY, PROPERTY DAMAGE** or **PERSONAL AND ADVERTISING INJURY** to which this insurance applies are alleged. **ACTION** includes an arbitration proceeding alleging such damages to which the Named Insured must submit or submit with the Insurer's consent.
2. **ADVERTISEMENT** means a notice that is broadcast or published to the general public or specific market segments about the Named Insured's goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - (a) Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - (b) Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
3. **AUTOMOBILE** means any self propelled land motor vehicle, trailer or semi trailer (including machinery, apparatus, or equipment attached thereto) which is principally designed and is being used for transportation of persons or property on public roads.
4. **BODILY INJURY** means:
 - (a) bodily injury, shock, mental anguish, mental suffering, sickness or disease sustained by a person, including death resulting from any of these at any time; and
 - (b) **PERSONAL AND ADVERTISING INJURY** except that which arises out of advertising activities or **ADVERTISEMENT**
5. **COVERAGE TERRITORY** means Canada and suits and judicial proceedings must be brought against the **INSURED** within Canada, with exception to:
 - (a) international waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between Canada and the United States of America (including its territories and possessions); or
 - (b) all other parts of the world if the injury or damage arises out of the activities of an insured person whose home is in the territory described in Item 5 above, but is away for a short time on the **NAMED INSURED'S** business for sales, promotional, educational, and training purposes only.
6. **DAMAGES** means damages due or awarded in payment for Claim(s).
7. **EMPLOYEE** includes a **LEASED WORKER** and a **TEMPORARY WORKER**.
8. **EXECUTIVE OFFICER** means a person holding any of the officer positions created by the Named Insured's charter, constitution, by-laws or any other similar governing document.
9. **LEASED WORKER** means a person leased to the Named Insured by a labour leasing firm under an agreement between the Named Insured and the labour leasing firm, to perform duties related to the conduct of the Named Insured's business. **LEASED WORKER** does not include a **TEMPORARY WORKER**.
10. **IMPAIRED PROPERTY** means tangible property, other than **THE NAMED INSURED'S PRODUCT** or **THE NAMED INSURED'S WORK**, that cannot be used or is less useful because:
 - (a) It incorporates **THE NAMED INSURED'S PRODUCT** or **THE NAMED INSURED'S WORK** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - (b) The Named Insured has failed to fulfill the terms of a contract or agreement; if such property can be restored to use by:
 - (i) The repair, replacement, adjustment or removal of **THE NAMED INSURED'S PRODUCT** or **THE NAMED INSURED'S WORK**; or
 - (ii) The Named Insured's fulfilling the terms of the contract or agreement.
11. **INSURED CONTRACT** means:
 - (a) A lease of premises;
 - (b) A sidetrack agreement;
 - (c) An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
 - (d) Any other easement agreement;
 - (e) An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
 - (f) An elevator maintenance agreement; or
 - (g) That part of any other contract or agreement pertaining to the Named Insured's business under which the Named Insured assumes the tort liability of another to pay damages because of **BODILY INJURY** or **PROPERTY DAMAGE** to a third person or organization, if the contract or agreement is made prior to the **BODILY INJURY** or **PROPERTY DAMAGE**. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
12. **OCCURRENCE** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

13. **PERSONAL AND ADVERTISING INJURY** means injury, including consequential **BODILY INJURY**, arising out of one or more of the following offences:
- (a) False arrest, detention or imprisonment;
 - (b) Malicious prosecution;
 - (c) Wrongful entry into, eviction or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies committed by or on behalf of its owner, landlord or lessor;
 - (d) Electronic, oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - (e) Electronic, oral or written publication of material that violates a person's right of privacy.
 - (f) The use of another's advertising idea in the "Named Insured's" **ADVERTISEMENT**; or
 - (g) Infringing upon another's copyright, trade dress or slogan in the "Named Insured's" **ADVERTISEMENT**.

14. **PRODUCTS-COMPLETED OPERATIONS HAZARD** includes all **BODILY INJURY** and **PROPERTY DAMAGE** occurring away from premises the Named Insured owns or rents and arising out of **THE NAMED INSURED'S PRODUCT** or **THE NAMED INSURED'S WORK** except:
- (a) Products that are still in the Named Insured's physical possession; or
 - (b) Work that has not yet been completed or abandoned.
- THE NAMED INSURED'S WORK** will be deemed completed at the earliest of the following times:
- (1) When all of the work called for in the Named Insured's contract has been completed.
 - (2) When all of the work to be done at the site has been completed if the Named Insured's contract calls for work at more than one site.
 - (3) When that part of work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed. This hazard does not include **BODILY INJURY** or **PROPERTY DAMAGE** arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

15. **PROPERTY DAMAGE** means:
- (a) Physical injury to 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 **OCCURRENCE** that caused it; or
 - (b) Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **OCCURRENCE** that caused it.
 - (c) Accidental discharge of a Halon Fire Protection System manufactured, sold, installed or maintained under contract by the Insured, provided that the Insurer's liability for all damages because of Property Damage to which this clause applies shall be limited to the actual cost of recharging the discharged system and subject to such limitation the total liability of the Insurer for all damages as the result of any one accident shall not exceed the limit of liability described in the Declarations hereto as being applicable to "Halon Release Cover".

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

As used in this definition, "electronic data" means information, facts or programs stored as or on, created or used on or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

16. **TEMPORARY WORKER** means a person who is furnished to the Named Insured to substitute for a permanent **EMPLOYEE** on leave or to meet seasonal or short-term workload conditions.
17. **THE NAMED INSURED'S PRODUCT** means:
- (a) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) The Named Insured;
 - (2) Others trading under the Named Insured's name; or
 - (3) A person or organization whose business or assets the Named Insured has acquired; and
 - (b) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

THE NAMED INSURED'S PRODUCT includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in (a) and (b) above.

THE NAMED INSURED'S PRODUCT does not include vending machines or other property rented to or located for the use of others but not sold.

18. **THE NAMED INSURED'S WORK** means:
- (a) Work or operations performed by the Named Insured or on the Named Insured's behalf; and
 - (b) Materials, parts or equipment furnished in connection with such work or operations.
- THE NAMED INSURED'S WORK** includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in (a) or (b) above.
19. **VOLUNTEER WORKER** means a person who is not the Named Insured's **EMPLOYEE**, and who donates his or her work and acts at the direction of and within the scope of duties determined by the Named Insured, and is not paid a fee, salary or other compensation by the Named Insured or anyone else for their work performed for the Named Insured.
20. **ASSAULT AND/OR BATTERY** means an intentional act by one person that creates an apprehension in another of an imminent harmful or offensive contact and/or an intentional unpermitted act causing harmful or offensive contact with the person of another.

SECTION VI – DESCRIPTION OF TERMS USED FOR PREMIUM BASES

- 1. "Area" means the square footage of the buildings to be insured excluding that portion of the basement used exclusively for storage or that portion of the premises used for heating or air conditioning plant purposes.
- 2. "Cost" means the total cost to any Indemnitee, with respect to any contract which is insured, of all work let or sublet in connection with each specific project, including the cost of all labour, materials and equipment furnished, used or delivered for use in the execution of such work, whether furnished by the owner, contractor or the sub-contractor, including all fees, allowances, bonuses or commissions made, paid or due.

3. "Cost of work" means the total cost of all operations performed for the Named Insured during the policy period by independent contractors, including materials used or delivered for use by whomsoever supplied, except maintenance or ordinary alterations and repairs on premises owned or rented by the Named Insured.
4. "Receipts" means the gross amount of money charged by the Named Insured for such operations as are rated on a receipts basis during the policy period.
5. "Remuneration" means the total earnings during the policy period for each owner, partner, executive officer or employee.
6. "Sales" means the gross amount of money charged for all goods and products sold and distributed by the Named Insured or by others trading under his name during the policy period.

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