

# COMMERCIAL GENERAL LIABILITY FORM

Various provisions in this form restrict coverage. Read the entire form carefully to determine rights, duties and what is and is not covered. Throughout this form the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

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 quotation marks have special meaning.

## SECTION I -- COVERAGES

### COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement.

We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "bodily injury" or "property damage" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B AND D. This insurance applies only to "bodily injury" and "property damage" which occurs during the form period. The "bodily injury" or "property damage" must be caused by an "occurrence". The "occurrence" must take place in the "coverage territory". We will have the right and duty to defend any "action" seeking those "compensatory damages" but:

- 1) The amount we will pay for "compensatory damages" is limited as described in SECTION III - LIMITS OF INSURANCE;
- 2) We may investigate and settle any claim or "action" at our discretion; and
- 3) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C.
  - a. "Compensatory damages" because of "bodily injury" include "compensatory damages" claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".
  - b. "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.

#### 2. Exclusions.

This insurance does not apply to:

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of any insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- b. "Bodily injury" or "property damage" for which the insured is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages":
  - 1) 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. Any obligation of the insured under workers compensation, disability benefits or unemployment compensation law or any similar law.
- d. "Bodily injury" to an "employee" of the insured arising out of and in the course of employment by the insured. This exclusion applies:
  - (a). Whether the insured may be liable as an employer or in any other capacity; and
  - (b). To any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury.

This exclusion does not apply:

- (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.
- 1) "Bodily injury" or "property damage" arising out of the ownership, use or operation by or on behalf of any insured of:
    - (a) Any "automobile";
    - (b) Any motorized snow vehicle or its trailers;
    - (c) 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
    - (d) 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 form, or any vehicle insured under such a contract, but this exclusion does not apply to the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment.
  - 2) "Bodily injury" or "property damage" with respect to which any motor vehicle liability form 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 on whose behalf contributions are made by or required to be made by the insured under the provisions of any workers compensation law.

- f. "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 you own or rent;
  - 2) A watercraft you do not own that is:
    - (a) Less than 8 metres long; and
    - (b) Not being used to carry persons or property for a charge.
  - 3) "Bodily injury" to an "employee" of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any workers compensation law.
- g.
- 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:
    - (a) Any aircraft; or
    - (b) Any air cushion vehicle.
  - 2) "Bodily injury" or "property damage" arising out of the ownership, existence, use or operation by or on behalf of any insured of any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.
- h. "Property damage" to:
- 1) Property you own, rent, or occupy;

- 2) Premises you sell, give away or abandon, if the property damage arises out of any part of those premises;
- 3) Property loaned to you;
- 4) Personal property in your care, custody or control;
- 5) That particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the "property damage" arises out of those operations; or
- 6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph 2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs 3), 4) and 6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph 6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

- i. "Property damage" to "your product" arising out of it or any part of it.
- j. "Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard". This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.
- k. "Property damage" to "impaired property" or property that has not been physically injured, arising out of:
  - 1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
  - 2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

- l. "Property damage" arising out of:
  - 1) The use of explosives for blasting;
  - 2) Vibration from pile driving or caisson work; or
  - 3) The removal or weakening of support of any property, building or land whether such support be natural or otherwise.

This exclusion does not apply:

- (a) To "property damage" arising out of work performed on your behalf by any contractor or sub-contractor; or
- (b) To "property damage" included within the "products-completed operations hazard".
- m. Any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:
  - 1) "Your product";
  - 2) "Your work"; or
  - 3) "Impaired property";

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

- n. "claims" or "actions":
  - 1) arising directly or indirectly from "abuse" committed or alleged to have been committed by any insured, including the transmission of disease arising out of any act of "abuse";
  - 2) based on your practices of "employee" hiring, acceptance of "volunteer workers", or supervision or retention of any person alleged to have committed "abuse"; or
  - 3) alleging knowledge by any insured of, or failure to report, the alleged "abuse" to the appropriate authority(ies).
- o. Pollution Liability -- See Common Exclusions.
- p. Nuclear Liability -- See Common Exclusions.
- q. War Risks -- See Common Exclusions.
- r. Professional Liability -- See Common Exclusions.
- s. Electronic Data and Access or Disclosure of Confidential or Personal Information -- See Common Exclusions.
- t. Terrorism -- See Common Exclusions.
- u. Fungi and Spores -- See Common Exclusions.
- v. Asbestos -- See Common Exclusions.

## COVERAGE B. PERSONAL INJURY LIABILITY

### 1. Insuring Agreement.

- a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "personal 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 AND D. We will have the right and duty to defend any "action" seeking those "compensatory damages" but:
  - 1) The amount we will pay for "compensatory damages" is limited as described in SECTION III - LIMITS OF INSURANCE;
  - 2) We may investigate and settle any claim or "action" at our discretion; and
  - 3) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C.
- b. This insurance applies to "personal injury" only if caused by an offence:
  - 1) Committed in the "coverage territory" during the form period; and
  - 2) Arising out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.

### 2. Exclusions.

This insurance does not apply to:

"Personal Injury":

- a.
  - 1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
  - 2) Arising out of oral or written publication of material whose first publication took place before the beginning of the form period;
  - 3) Arising out of the wilful violation of a penal statute or ordinance committed by or with the consent of the insured; or
  - 4) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages" that the insured would have in the absence of the contract or agreement.

- b. Pollution Liability -- See Common Exclusions.
- c. Nuclear Liability -- See Common Exclusions.
- d. War Risks -- See Common Exclusions.
- e. Professional Liability -- See Common Exclusions.
- f. Electronic Data and Access or Disclosure of Confidential or Personal Information -- See Common Exclusions.
- g. Terrorism -- See Common Exclusions.
- h. Fungi and Spores -- See Common Exclusions.
- i. Asbestos -- See Common Exclusions.

## **COVERAGE C. MEDICAL PAYMENTS**

### **1. Insuring Agreement**

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

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

provided that:

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

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We 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.**

We will not pay expenses for "bodily injury":

- a. To any insured, except "volunteer workers".
- 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 you own or rent 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 practicing, instructing or participating in any physical exercises or games, sports or athletic contests.
- 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**

### **1. Insuring Agreement.**

We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "property damage" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B AND D. This insurance applies only to "property damage" to premises rented to you or occupied by you. 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". We will have the right and duty to defend any "action" seeking those "compensatory damages" but:

- a. The amount we will pay for "compensatory damages" is limited as described in SECTION III - LIMITS OF INSURANCE;
- b. We may investigate and settle any claim or "action" at our discretion; and
- c. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C.

### **2. Exclusions.**

- 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 "compensatory damages" that the insured would have in the absence of the contract or agreement.
- c. Pollution Liability - See Common Exclusions.
- d. Nuclear Energy Liability - See Common Exclusions.
- e. War Risks - See Common Exclusions.
- f. Professional Liability - See Common Exclusions.
- g. Terrorism - See Common Exclusions.
- h. Fungi and Spores -- See Common Exclusions.
- i. Asbestos -- See Common Exclusions.

## **COMMON EXCLUSIONS - COVERAGES A, B, C AND D**

This insurance does not apply to:

### **1. Pollution Liability**

- A. "Bodily injury", "property damage" or "personal injury" arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":
  - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
  - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste.
  - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
    - (i) Any insured; or
    - (ii) Any person or organization for whom you may be legally responsible.
  - (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
    - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operating fluids escape from a permanent and integral mobile equipment part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
    - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
    - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
  - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- B. Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or "action" by or on behalf of a governmental authority for "compensatory damages" because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Section B. does not apply to liability for "compensatory damages" because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "action" by or on behalf of a governmental authority.

## 2. Nuclear energy Liability

- a. Liability imposed by or arising under the Nuclear Liability Act, law or statute, or any law amendatory thereof;
- b. "Bodily injury" or "property damage" with respect to which an insured under this form 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 form but for its termination upon exhaustion of its limit of liability;
- c. "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;
  - 3) the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an insured.

As used in this form:

- 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 which may be designated by any nuclear liability act, law or statute or any law amendatory thereof as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
- 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 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
  - (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
- 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.

## 3. 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.

## 4. Professional Liability

- a. "Bodily Injury" (other than Incidental Medical Malpractice injury) or "property damage" or "personal injury" due to the rendering of or failure to render any professional service which shall include but not be limited to
  - 1) medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith,
  - 2) any service or treatment conducive to health or of a professional nature,
  - 3) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances,
  - 4) the handling or treatment of dead bodies, including autopsies, organ donation or other procedures; or
  - 5) any cosmetic, ear piercing, tonsorial, massage, physiotherapy, chiroprody, hearing aid, optical or optometrical service or treatments,

- 6) the preparation or approval of maps, drawings, plans, opinions, reports, surveys, change orders, designs or specifications,
- 7) supervisory, inspection, architectural or engineering services, or
- 8) accountant'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.

Incidental Medical Malpractice Injury means "bodily injury" arising out of the rendering of or failure to render, during the form period, the following services

- (i) medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith, or
- (ii) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances, by any insured or any indemnity causing the incidental Medical Malpractice Injury who is not engaged in the business or occupation of providing any of the services described in i) and ii) above.

**5. Electronic Data and Access or Disclosure of Confidential or Personal Information**

To Coverage A. Bodily Injury and Property Damage Liability:

liability for:

the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data"; or

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

To Coverage B. Personal Injury Liability:

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

**6. Terrorism**

The insurance in this form does not apply to "bodily injury", "property damage" or "personal injury" arising directly or indirectly, in whole or in part out of "Terrorism" or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to "bodily injury", "property damage" or "personal injury".

**7. Fungi and Spores**

- a. "Bodily injury", "property damage" or "personal 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 "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";
- 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 any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal injury".

**8. Asbestos**

- (a) "bodily injury", "property damage", "Personal Injury", or Medical Payments arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of asbestos in any form; or
- (b) "bodily injury", "property damage", "Personal Injury" or Medical Payments arising out of any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or
- (c) any loss, cost or expense incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, clean-up, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with, dispose of, or assess the presence or effects of asbestos.

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", "Personal Injury" or Medical Payments.

**SUPPLEMENTARY PAYMENTS - COVERAGES A, B AND D**

We will pay, with respect to any claim or "action" we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the insured at our request to assist us 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 judgment upon that part of the judgment which is within the applicable limit of insurance and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

**SECTION II -- WHO IS AN INSURED**

1. If you are designated in the Declarations as:
  - (a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - (b) A partnership, limited liability partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - (d) An organization other than a partnership, limited liability partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your shareholders are also insureds, but only with respect to their liability as shareholders.
  - (e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:
  - (b) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, limited liability partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
    1. "Bodily injury" or "personal injury":
      - (a) To you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
      - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1) (a)** above;
      - (c) For which there is any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury described in Paragraphs **(1)(a)** or **(b)** above;
      - (d) Arising out of his or her 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. "Property damage" to property:
      - (a) Owned, occupied or used by,
      - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership, limited liability partnership or joint venture), or any member (if you are a limited liability company).
  - (b) Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
  - (c) Any person or organization having proper temporary custody of your property if you die, but only:
    1. With respect to liability arising out of the maintenance or use of that property; and
    2. Until your legal representative has been appointed.
  - (d) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.
3. Any organization you newly acquire or form, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - (a) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - (b) Coverage **A** and **D** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - (c) Coverage **B** does not apply to "personal injury" arising out of an offense committed before you acquired or formed the organization.

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

4. Blanket Additional Insured – When required by an "insured contract."

Any person or organization when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured to your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal injury" caused in whole or in part, by:

- a) Your acts or failure to act; or
- b) The acts or failure to act of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

A person's or organizations status as an additional insured under this form ends when your contract with that additional insured is completed.

There is no coverage under this form for any liability of the additional insured caused by its own acts or omissions.

### SECTION III -- LIMITS OF INSURANCE

- A. The Limits of Insurance stated in the Declarations and the rules below fix the most we will pay regardless of the number of:

1.
  - 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 we will pay for the sum of:
  - a. "Compensatory damages" arising out of the "Products -- completed operations hazard."
3. Subject to 2. above, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. "Compensatory damages" under Coverages A, B and
  - b. Medical expenses under Coverage C;
 because of all of "bodily injury" and "property damage" and "Personal Injury" arising out of any one "occurrence".
4. Subject to 3. above, the Personal Injury Limit is the most we will pay under Coverage B for the sum of all "compensatory damages" because of all "personal injury" sustained by any one person or organization.
5. The Tenants' Legal Liability Limit is the most we will pay under Coverage D for "compensatory damages" because of "property damage" to any one premises.
6. Subject to 3. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The limits of this form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the form period shown in the Declarations, unless the form 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.

#### B. DEDUCTIBLE

1. Our obligation under Property Damage Liability and Tenants' Legal Liability to pay "compensatory damages" on your behalf applies only to the amount of "compensatory damages" in excess of any deductible amounts stated on the Declarations page as applicable to such coverages, and the limits of insurance applicable to each "occurrence" for Property Damage Liability and any one premises for Tenants' Legal Liability will be reduced by the amount of such deductible.
2. The deductible amount applies as follows:
  - a. Under Coverage A: to all "compensatory damages" because of "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".

- b. Under Coverage D: to all "compensatory damages" because of "property damage" as the result of any one "occurrence", regardless of the number of persons or organization who sustain "compensatory damages" because of that "occurrence".
- 3. The terms of this insurance, including those with respect to:
  - a. our right and duty to defend any "action" seeking those "compensatory damages"; and
  - b. your duties in the event of an "occurrence", claim or "action" apply irrespective of the application of the deductible amount.
- 4. We may pay any part or all of the deductible amount to effect settlement of any claim or "action" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

## SECTION IV -- CONDITIONS

### 1. Bankruptcy.

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this form.

### 2. Canadian Currency Clause.

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

### 3. Changes.

This form contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this form with our consent. This form's terms can be amended or waived only by endorsement issued by us and made a part of this form.

### 4. Duties In the Event of Occurrence, Claim or Action.

- a. You must see to it that we are 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, you must see to it that we receive prompt written notice of the claim or "action".
- c. You and any other involved insured must:
  - 1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
  - 2) Authorize us to obtain records and other information;
  - 3) Cooperate with us in the investigation, settlement or defence of the claim or "action"; and
  - 4) Assist us, upon our 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 our consent.

### 5. Examination of Your Books and Records.

We may examine and audit your books and records as they relate to this form at any time during the form period and up to three years afterward.

### 6. Inspections and Surveys.

We have the right but are not obligated to:

- a. Make inspections and surveys at any time;
- b. Give you reports on the conditions we find; and
- c. Recommend any changes.

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

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards.

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

### 7. Legal Action Against Us.

No person or organization has a right under this form:

- a. To join us as a party or otherwise bring us into an "action" asking for "compensatory damages" from an insured; or
- b. To sue us on this form unless all of its terms have been fully complied with.

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

### 8. Other Insurance.

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

#### a. Primary Insurance

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

#### b. Excess insurance

This insurance is excess over:

- 1) any of the other insurance whether primary, excess, contingent or on any other basis:
  - a. That is Property Insurance which also includes but is not limited to Builder's Risk, Installation Risk or similar coverage for "your work";
  - b. That is Property Insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - c. If the loss arises out of the maintenance or use of watercraft or "automobile" to the extent not subject to Exclusions e. or f. of Section 1 – Coverage A – Bodily Injury and Property Damage Liability.
- 2) Any other primary insurance available to you covering liability for "compensatory damages" arising out of the premises or operations or products-completed operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverage A, B or D to defend you against any "action" if any other insurer has a duty to defend you against that "action". If no other insurer defends, we will undertake to do so, but we will be entitled to your rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our 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.

We 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 of this form.

c. **Method of Sharing**

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

If any other insurance does not permit contribution by equal shares, we 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.

**9. Premium Audit.**

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

**10. Premiums.**

The first Named Insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

**11. Representations.**

By accepting this form, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this form in reliance upon your representations.

**12. Separation of Insureds. Cross Liability.**

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.

**13. Transfer of Rights of Recovery Against Others to Us.**

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

**14. Transfer of your Rights and Duties Under this form.**

Your rights and duties under this form may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**SECTION V -- DEFINITIONS**

1. **"Abuse"** means any act or threat involving molestation, harassment, corporal punishment, or any other form of "physical abuse", "sexual abuse", or "mental abuse".
2. **"Action"** means a civil proceeding in which "compensatory damages" because of "bodily injury", "property damage" or "personal injury" to which this insurance applies are alleged. "Action" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
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 bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
5. **"Compensatory damages"** means damage due or awarded in payment for actual injury or economic loss. "Compensatory damages" does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
6. **"Coverage territory"** means:
  - a. Canada and the United States of America (including its territories and possessions);
  - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
  - c. All parts of the world if:
    - 1) The injury or damage arises out of:



- (a) Goods or products made or sold by you in the territory described in a. above; or
  - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
- 2) The Insured's responsibility to pay "compensatory damages" is determined in an "action" on the merits, in the territory described in a. above or in a settlement we agree to in writing.
7. **"Electronic Data"** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to 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.
8. **"Employee"** includes a "leased worker" and a "temporary worker".
9. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. **"Fungi"** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "fungi" or "spores" or resultant mycotoxins, allergens or pathogens.
11. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.
12. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement,

If such property can be restored to use by:

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

An "insured contract" does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- a. Preparing, approving or failing to prepare or approve maps, drawings opinions, reports, surveys, change orders, designs or specifications;
  - b. Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
14. **"Leased worker"** means a person leased to you by a labour leasing firm under an agreement between you and the labour leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include "temporary worker".
15. **"Mental abuse"** means wilful and deliberate misconduct:
- a. causing or permitting another person to suffer unjustifiable mental pain or suffering, or
  - b. causing or permitting another person to be placed in a situation in which his or her mental health likely would be endangered or impaired.
16. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
17. **"Personal Injury"** means injury, other than "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, or eviction of a person from, a room, dwelling or premises that the person occupies.
  - d. 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. Oral or written publication of material that violates a person's right of privacy.
18. **"Physical abuse"** means wilful and deliberate misconduct:
- (a) causing or permitting another person to suffer unjustifiable pain or suffering, or
  - (b) causing or permitting another person to be placed in a situation in which his or her life or limb likely would be endangered or his or her health likely would be impaired.
19. **"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.
20. **"Products-completed operations hazard"** includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
- 1) Products that are still in your physical possession, or
  - 2) Work that has not yet been completed or abandoned;
- "Your work" will be deemed completed at the earliest of the following times:
- a) When all of the work called for in your contract has been completed.
  - b) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
  - c) 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.

21. **"Property damage"** means:
- a. Physical injury to tangible property, including all resulting loss of use of that property; or
  - b. Loss of use of tangible property that is not physically injured.
22. **"Sexual abuse"** means any conduct constituting a sexual offence under the Criminal Code of Canada or similar statutes, including sexual assault offences resulting from physical contact.
23. **"Spores"** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".
24. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
25. **"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.

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

27. **"Your product"** means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - 1) You;
  - 2) Others trading under your name; or
  - 3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

28. **"Your work"** means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. or b. above.

## **SECTION 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 of work" means the total cost of all operations performed for the Named Insured during the form 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.
3. "Receipts" means the gross amount of money charged by the Named Insured for such operations as are rated on a receipts basis during the form period.
4. "Remuneration" means the total earning during the form period for each owner, partner, executive officer or employee
5. "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 form period.

"Cost" means the total cost to any indemnity, 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.