

Agenda

Regular Meeting of Council

Corporation of the Township of The North Shore
Tuesday, September 2nd, 2025
3:00 PM

Township of the North Shore is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/84478157511?pwd=fzJOBDF4ZMsiJttpWSCSAKz0SgszhZ.1>

Meeting ID: 844 7815 7511

Passcode: 676759

This meeting is being held in a Hybrid setting. Attendees may choose to attend via ZOOM or in person in the Municipal Office Council Chambers located at 1385 Highway 17, Algoma Mills.

1. CALL TO ORDER
2. APPROVAL OF AGENDA
3. DISCLOSURES OF PECUNIARY INTEREST
4. PRESENTATIONS/DELEGATION
5. ADOPTION OF MINUTES
6. COUNCIL MEMBERS REPORT
7. REPORTS AND MOTIONS OF MUNICIPAL STAFF, COMMITTEES, AND COMMUNICATIONS

- a) 2025-2026 Insurance Renewal

Consent Agenda

8. OLD BUSINESS (INCLUDES THE FOLLOWING WRITTEN LETTERS/REPORTS) - Nil
9. INTRODUCTION, READING AND CONSIDERATION OF BY-LAWS
10. NOTICES OF MOTION
11. QUESTION PERIOD
12. CLOSED SESSION
13. REPORT FROM CLOSED SESSION
14. CONFIRMATORY BY-LAW
By-law 25-27 being a by-law to confirm the proceedings of Council at its Special meeting held September 2nd, 2025, be read a first, second and third time enacted and passed.
15. ADJOURNMENT



7a

August 28th, 2025

Special Meeting of September 2nd, 2025

Council Report

SUBJECT: INSURANCE RENEWAL 2025-2026

RECOMMENDATION: That Council receive the staff report for the 2025-2026 Insurance Renewal, that Council accept the proposal from Intact Public Entities for the Insurance Policy term September 24, 2025 to September 23, 2026 in the amount of \$108,572 plus applicable taxes and that Council accept the proposal from Victor/CFC Underwriting for the Cyber & Privacy Insurance term September 24, 2025 to September 23, 2026 in the amount of \$2,685 plus applicable taxes.

The quotes for the 2025-2026 insurance renewals are at a total of \$120,157.56:

- General Insurance: \$108,572 + applicable taxes of \$8685.76 (Total of \$117,257.76)
- Cyber Risk Insurance: \$2,685 + applicable taxes of \$214.80 (Total of \$2,899.80)

The increase for general insurance for the 2025-2026 term compared to the 2024-2025 term is **4.55%**. This increase is below the reported average increase of 20% - 30% for Ontario municipalities.

The Cyber security premium increased by 1.32%.

Total 2025 budgeted insurance expense: \$116,464.

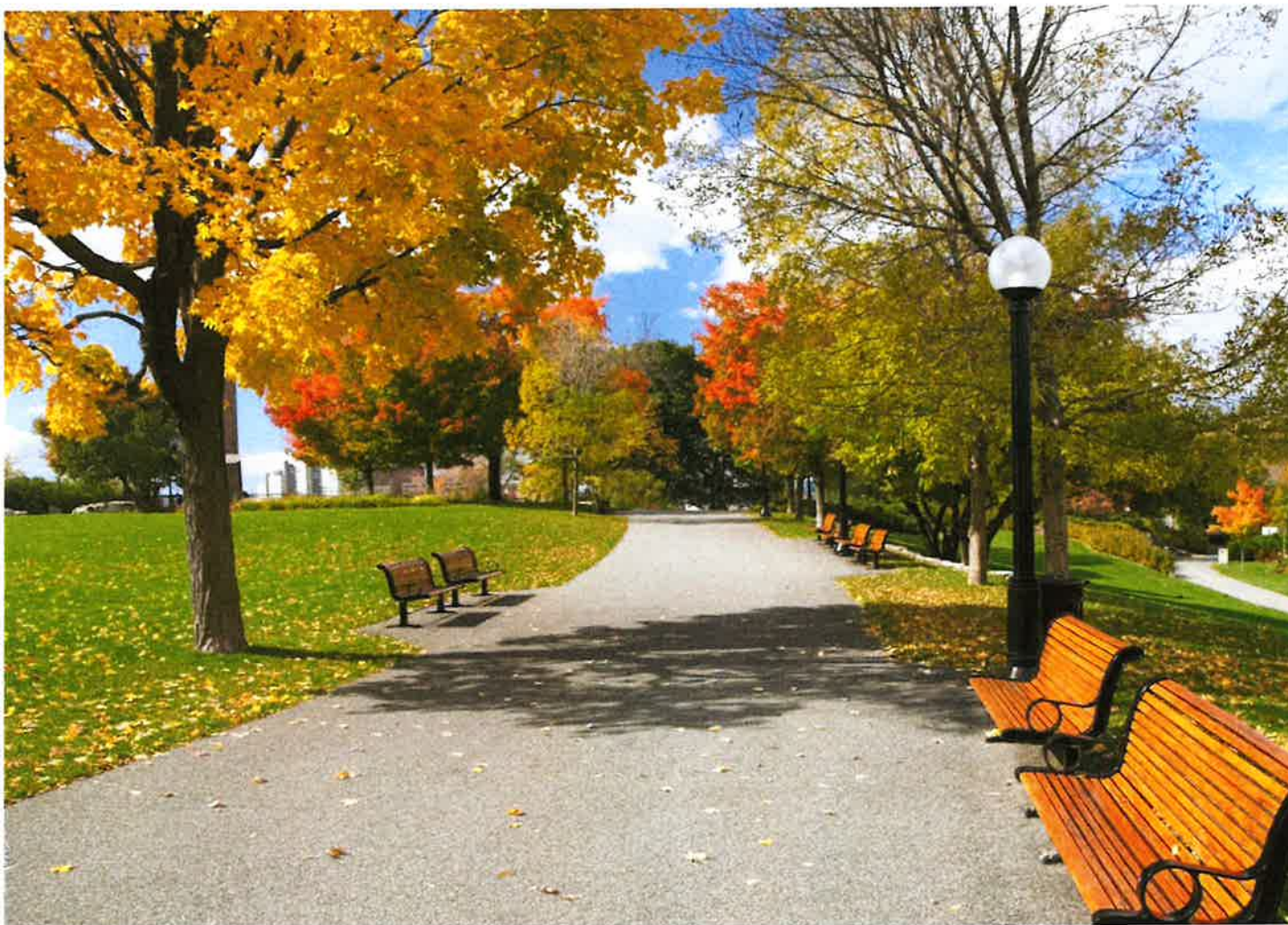
2025 Portion of the 2025-2026 Insurance Premium: \$85,488.06 (73.15% of premium)

2024 Portion of the 2024-2025 Insurance Premium: \$32,262.30 (26.85% of premium)

Total 2025 Insurance Expense (including applicable taxes): \$117,750.36

The 2026 portion of the premium in the amount of \$87,894.67 will be applied to the "Prepaid Expense" account. This amount will need to be included in the 2026 budget in addition to the estimated insurance premium increases for the 2026-2027 renewal.

Prepared/Submitted by: Rachel Schneider, Municipal Clerk/Deputy Treasurer
Craig Davidson, Interim Treasurer



2025 Municipal Insurance Program

CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

Renewal Report for the Policy Term September 24, 2025, to September 24, 2026

In Partnership with:
Tracey Paolucci, CAIB
Northern Insurance Brokers Limited
855 Queen Street East, Suite 200
Sault Ste Marie, ON P6A 2B3

Submitted by: Intact Public Entities Inc.
Address: 278 Pinebush Rd., Suite 200
Cambridge, ON N1T 1Z6

phone: 1-800-265-4000
email: connectwithus@intactpublicentities.ca

Prepared by:
Alexandra Weed, R.I.B.(Ont.), B.A.
Account Manager

Ref 54200/mm 18 August 2025

How to Report a Claim

Steps you need to take to report a claim:

1. During business hours please **call your broker** (if applicable) or **IPE** at 1-800-265-4000 or email at mail.claims@intactpublicentities.ca.
2. For **legal expense claims** please call **ARAG** at 1-855-953-1434.
3. For **automobile claims** please call IPE at 1-800-265-4000 or email at mail.claims@intactpublicentities.ca.
4. For **cyber incidents** please carefully review your cyber policy to identify the Subscribing Partner and their corresponding claims contact information.
5. **After hours**, please call 1-866-287-4971.

Property Damage

Have you experienced property damage from a storm, flood, or fire? Have you found mould or asbestos? Call **On Side Restoration**, the IPE preferred vendor for your property restoration needs.

ON SIDE
RESTORATION.

partnership
with

[intact] public
entities

FIRE | WATER | STORM | MOULD | ASBESTOS

On Side Restoration is Canada's leading property restoration firm with 45+ branches, from Victoria, BC to St. John's Newfoundland and Labrador. For over 45 years, On Side has been restoring damaged homes and businesses 24-hours a day, 365 days a year.

CALL US DAY OR NIGHT



1-866-663-6604



contact@onside.ca



www.onside.ca



Update Your Records

Paying Your IPE Insurance Policy

1. If paying electronically, update your payables system if necessary to reflect **IPE as a payee**. Information on adding IPE as a payee can be found with your monthly statement.
2. **Look for IPE**, not Intact Insurance in your payables system – we are separate companies.
3. IPE is a subsidiary of Intact Financial Corporation. Please continue to **submit payment to us** without amalgamating any payments to Intact Insurance.
4. **We have our own payment terms and methods** that may be different than Intact Insurance. We cannot transfer payments between companies if misapplied. Amalgamating payments may result in the accrual of late fees on your account.
5. **Please see your policy for IPE's banking information.**
6. For all **finance inquiries** please email finance@intactpublicentities.ca.

About IPE

IPE is a Canadian leader in providing specialized insurance programs, including risk management and claims services to municipal, public administration and community-based organizations across Canada. Proven industry knowledge, gained through over nine decades of partnering with insurance companies and independent brokers, gives IPE the ability to effectively manage the necessary risk, advisory and claims services for both standard and complex issues. IPE is a wholly-owned subsidiary of Intact Financial Corporation with its head office located in Cambridge, Ontario. For additional information about IPE visit www.intactpublicentities.ca.

IPE is a Managing General Agent (MGA) with the authority to write and service business on behalf of strategic partners who share our commitment and dedication to protecting specialized organizations. Because our partners are long-term participants on our program, they understand the nature of fluctuating market conditions and complex claims and are prepared to stay the course.

IPE is a licence-holder through the Registered Insurance Brokers of Ontario (RIBO) and in multiple jurisdictions across Canada, and as such we are required to disclose our professional duties and obligations to you as a current or potential client. Learn about our principles of conduct, how we are compensated by the insurers we represent, and see our privacy policy by reviewing the following:

[Code of Consumer Rights and Responsibilities](#)

[CISRO Code of Conduct for Insurance Intermediaries and Fact Sheet – About Your Registered Insurance Broker](#)

[Broker Compensation Disclosure](#)

[Our Privacy Promise](#)

Canadian Owned Company With 90+ Years of Continuous Operation

Market Leader

Municipal, Public Administration & Community Services

Municipal market share leader in Ontario with strong representation of municipal, public administration and community-based organizations across Canada.

Innovative

New Products & Services

Cyber Risk Insurance
Fraudulently Induced Transfer
Road Reviews
Fleet Management

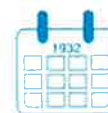
In-House

Claims & Risk Management

In-house claims management = faster turn around, single point of contact, specialized expertise in the municipal claims environment.



**Municipal Market Share
Leader in Ontario**



**First Municipal Client
The Village of Ayr, Ontario**

The Advantage of a Managing General Agent

The MGA model is different than a traditional broker/insurer arrangement in that an MGA provides specialized expertise in a specific, niche area of business. As an MGA we also offer clients additional and helpful services in the area of risk management, claims and underwriting. And unlike the reciprocal model, a policy issued by an MGA is a full risk transfer vehicle not subject to retroactive assessments but rather a fixed term and premium.

We invite you to work with a partner who is focused on providing a complete insurance program specific to your organization that includes complimentary value added services that help drive down the cost of claims and innovative first to market products and enhancements. You will receive personalized service and expertise from a full-service, local and in-house team of risk management, claims, marketing and underwriting professionals.

As a trusted business partner, we believe in participating in and advocating for the causes that affect our clients. For this reason, we affiliate with and support key provincial and national associations. In order for IPE to be effective in serving you, we, as an MGA, believe in fully understanding your needs, concerns and direction. Our support is delivered through thought leadership, financial resources, advocacy, services, education and more.

Risk Management Services

We are the leader in specialized risk management and place emphasis on helping your organization develop a solid plan to minimize exposure before potential incidents occur. Risk management is built into our offerings for all clients, fully integrated into every insurance program. Our risk management team is comprised of analysts, inspectors and engineers who use their expertise to help mitigate risk. We do everything we can to minimize your exposure before potential incidents occur. This includes providing education, road reviews, fleet reviews, contract analysis and property inspections.

Claims Management Services

Our in-house team of experts has the depth of knowledge, experience and commitment to manage the complicated details of claims that your organization may experience. You deal with the public often in sensitive instances where serious accusations can be made. Your claims are often long-tail in nature and can take years to settle. Some claims aren't filed until years after the occurrence or accident. You want a team of professionals on your side that will vigorously defend your reputation. We understand your risks and your exposures and have maintained a long-term commitment to understanding the complex issues your organization may face so that we can better service your unique claims requirements.



**MGA
Advantage**



**Risk Management
Services**



**Claims Management
Services**

*Please note that the information contained in this document is proprietary and confidential and is to be used for the sole purpose of determining the successful proponent. Permission must be obtained from Intact Public Entities prior to the release of any information contained herein for any other purpose than evaluating this submission.

Best in Class Value Added Services

IPE offers more than just an insurance policy. As a leading MGA specializing in public entities, we provide Canadian municipalities with a complete insurance program. What's the difference? A vested interest in helping you reduce your total cost of risk while providing you with complimentary best in class value-added services that help improve your overall performance.

Advocacy & Municipal Association Support

IPE employees are continually recruited to serve on legislative committees and are aware of changes that will be introduced. We can move quickly to help you begin to modify your policies and procedures to maintain regulatory compliance.

IPE advocates and supports your public entities across the country.



Risk Management

Asset Valuation and Risk Inspections

Inspections provide you with calculated reconstruction costs for insurance purposes and ensure insurance to value. Inspections also analyze potential areas of harm and provide risk recommendations to reduce the frequency and severity of incidents.

Roads & Sidewalks

Road Risk Assessment

Non-repair of road liability claims are costly to defend, result in high court awards and greatly impact a municipality's cost of risk. To help municipalities minimize exposure to non-repair of road claims, road assessments can be employed to review documentation, compliance with the Ontario Traffic Manual, adequacy of policies and procedures and select road segments.

Sidewalk Services

Our sidewalk consulting services can help to reduce the frequency of falls on your sidewalks.

Driver Education

Fleets and individual drivers can receive comprehensive driver education through the use of seminars, tools and guidelines that assist with everything from pre-employment checklists and driver management policies to defensive and cooperative driving education.

Fleet Management Evaluation

Have your municipality's fleet risk management practices evaluated. Topics for review include: management structure with the fleet, areas of operation/travel, driver training/hiring practices and loss control management.

MMS Compliance

Our Minimum Maintenance Standards (MMS) compliance analysis focuses on reviewing your policies/procedures/ documentation and comparing these to the required standards set under the MMS as well as the best practices developed by the Good Roads.

Municipal Education

We develop and provide customized sessions on specific risk issues for your municipality. These customized sessions can be tied to a claims review, documentation review, policy & procedure review or any risk issue facing your municipality.

We provide training on any topic of your choosing and can be offered either in-person or virtually. The sessions will be developed and delivered by specialists in the field and are recorded and made available to you so your managers can use them at any time to train new staff or as a refresher for existing staff.

Reviews & Analysis

Contract Reviews

This complimentary service is among our most popular because a third-party contract review can make a substantial difference. You'll receive valuable feedback and insight from a Paralegal on the suitability and effectiveness of liability provisions and insurance clauses in contracts and agreements.

Policy and Procedural Reviews

Includes an audit of systems and processes to reduce potential losses within your organization. Reviews focus on identifying gaps or inconsistencies between written policies and procedures, operational procedures and current legislation. The review also includes a claims analysis to identify trends, patterns and adherence or its lack of to the written operational policies and procedures.

Risk Management Centre of Excellence

The IPE [Risk Management Centre of Excellence](#) is an online resource that provides clients with the information and tools needed to manage a myriad of risk issues. The Centre of Excellence is the hub for articles, information, case studies, and useful templates that can transform your municipality's risk management results. The Centre of Excellence is available 24/7 and is continually updated with timely and relevant content.

Claims Services

Claims Management Best Practices Framework

Manage claims under your deductible with greater efficiency using our tested claims analytics and measures that are guaranteed to have a positive effect on cost savings. Couple this with strong claims and risk management and your organization will be better prepared to help mitigate and manage future incidents.

In-House Claims Management Services

Your claims will be handled better. We have in-house claims authority – others may not. Why does this matter? You'll experience faster turnaround, one point of contact, reduced frustration, better claims resolution and improved expense management.

Claims History Analysis

Identify the cause of claims and focus on trends and patterns to help eliminate risk sources so as to better identify risk trends and address them with mitigation techniques.

Guidewire ClaimCenter® Claims Management

View the status of claims in addition to data mining capabilities for risk management purposes so as to better identify risk trends and address them with mitigation techniques.

Claims Education

Customized municipal seminars on claims related topics delivered to solve specific risk issues.

Expertise

Canadian municipal claims experience and expertise is important. Our understanding of the complex municipal landscape allows us to better service your unique claims requirements.

Your Insurance Coverage

Important Information

General Information

The premium quoted is based on information provided at the date of this Report (the date is noted on the first page of this report/quotation). Additional changes to information are subject to satisfactory underwriting information and express approval by Intact Public Entities Inc. Changes in information and coverage may also result in premium changes.

For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings.

Wildfire and Flood Exposures

Due to the high risk of wildfires and active floods, Intact Public Entities Inc. is taking a very conservative approach to such exposures/natural disasters. We are currently reviewing all risks to determine if any part of a risk is within 50km of an active wildfire or 15km of an active flood event.

Quoting and Binding Coverage Restrictions

The quote provided is only valid for 60 days. Should you require an extension beyond the 60 days from the date of this report, you must contact an underwriter at Intact Public Entities Inc. for written confirmation that the quotation is still valid.

Coverage quoted cannot be bound unless expressly agreed to in writing by an underwriter at Intact Public Entities. Intact Public Entities Inc. reserves the right to decline to bind coverage.

Your marketing representative can assist in co-ordinating your correspondence with the correct underwriter for the account should you wish a quotation extension or are requesting coverage be bound.

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Casualty

Coverage Description	(\$)*Deductibles	(\$)*Limit of Insurance
General Liability (Occurrence Form) <i>Broad Definition of Insured</i>	5,000	10,000,000 Per Occurrence No Aggregate
Voluntary Medical Payments	Nil	50,000 Per Person 50,000 Per Accident
Voluntary Property Damage	Nil	50,000 Per Occurrence 50,000 Annual Aggregate
Voluntary Compensation - Employees	Nil	50,000 Each Person 250,000 Annual Aggregate
Sewer Backup	5,000 Per Claimant	Included
Wrongful Dismissal (Legal Expense – Claims Made)	5,000	250,000 Per Claim 250,000 Aggregate
Forest Fire Expense	Nil	1,000,000 1,000,000 Aggregate
Abuse Liability – Claims Made Form Retroactive Date: September 24, 2022	5,000	2,000,000 Per Claim 2,000,000 Aggregate
Errors & Omissions Liability (Claims Made Form)	5,000	10,000,000 Per Claim No Aggregate
Non-Owned Automobile Liability		10,000,000
Legal Liability for Damage to Hired Automobiles	500	250,000
Environmental Liability (Claims Made Form)	5,000	2,000,000 Per Claim 4,000,000 Aggregate

*Your deductible may be a Deductible and Reimbursement Clause (including expenses) refer to Policy Wordings

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Crime

Coverage Description	(\$)	Deductibles	(\$)	Limit of Insurance
Employee Dishonesty – Form A (Commercial Blanket Bond)			1,000,000	
Loss Inside the Premises (Broad Form Money & Securities)			300,000	
Loss Outside the Premises (Broad Form Money & Securities)			300,000	
Audit Expense			200,000	
Money Orders and Counterfeit Paper Currency			200,000	
Forgery or Alteration (Depositors Forgery)			1,000,000	
Computer and Transfer Fraud (Including Voice Computer Toll Fraud)			200,000	

Accident

Coverage Description	(\$)	Deductibles	(\$)	Limit of Insurance
Board Members: Persons Insured Mayor, Four (4) Councillors and One (1) Clerk/Treasurer				
Board Members Accidental Death & Dismemberment			250,000	
Paralysis			500,000	
Weekly Income – Total Disability			500	
Weekly Income – Partial Disability			300	
Accidental Death of a Spouse while Travelling on Business			Included	
Firefighters': Persons Insured Thirteen (13) Firefighters'				
Firefighters' Accidental Death & Dismemberment			250,000	
Paralysis			500,000	
Weekly Income – Total Loss of Time			400	
Weekly Income – Partial Loss of Time			200	

Conflict of Interest

Coverage Description	(\$)	Deductibles	(\$)	Limit of Insurance
Legal Fees Expenses			100,000 Per Claim No Aggregate	

Legal Expense (Claims Made)

Coverage Description	(\$)	Deductibles	(\$)	Limit of Insurance
Legal Defence Cost			100,000 500,000 Aggregate	

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Property

Coverage is on an All Risk Basis unless otherwise specified. Basis of Settlement is Replacement Cost unless otherwise specified. The Deductible is on a Per Occurrence Basis.

Coverage Description	(\$) Deductibles	Basis	(\$) Limit of Insurance
Property of Every Description - Blanket	5,000	RC	8,547,118
Scheduled Items	Refer to Schedule		413,300
Coverage, Deductible and Basis of Settlement as per Schedule			
Excluded Item or Locations	Refer to Schedule		Refer to Schedule

Property Supplemental Coverage

(Included in the Total Sum Insured unless otherwise specified in the wording)

Building By-laws	5,000		5,000,000
Building Damage by theft	5,000		Included
Debris Removal	5,000		Included
Electronic Computer Systems			
Electronic Computer Hardware and Media	5,000		Included
Electronic Computer Systems Breakdown	5,000		34,600
Electronic Computer Systems – Extra Expense	5,000		25,000
Extra Expense Period of Restoration	5,000		90 Days
Expediting Expense	5,000		Included
Fire or Police Department Service Charges	5,000		Included
First Party Pollution Clean-up	5,000		1,000,000
Fungi and Spores	5,000		10,000
Furs, Jewellery and Ceremonial Regalia			
Ceremonial Regalia	5,000		Included
Furs and Jewellery	5,000		25,000
Inflation Adjustment	5,000		Included
Live Animals Birds or Fish	5,000		25,000
Newly Acquired Property	5,000		1,000,000
Professional Fees	5,000		Included

Property and Unnamed Locations	5,000	Included
Property Temporarily Removed Including while on Exhibition and during Transit	5,000	Included
Recharge of Fire Protection Equipment Expense	5,000	Included
Sewer Backup and Overflow	5,000	Included

Municipal & Public Administration Extension Endorsement

(In Addition to the Total Sum Insured unless specifically scheduled in the wording)

Accounts Receivable	5,000	500,000
Bridges and Culverts	5,000	50,000
Buildings Owned due to Non Payment of Municipal Taxes	5,000	100,000
Buildings in the Course of Construction Reporting Extension By Laws – Governing Acts	5,000	1,000,000
	5,000	25,000
Consequential Loss Caused by Interruption of Services		
On Premises	5,000	Included
Off Premises	5,000	1,000,000
Cost to Attract Volunteers Following a Loss	5,000	10,000
Docks, Wharves and Piers	5,000	100,000
Errors and Omissions	5,000	Included
Exterior Paved Surfaces	5,000	50,000
Extra Expense	5,000	500,000
Fine Arts		
At Insured's Own Premises	5,000	25,000
On Exhibition	5,000	100,000
Fundraising Expenses	5,000	10,000
Green Extension	5,000	50,000
Growing Plants		
Any One Item	5,000	1,000
Per Occurrence	5,000	100,000
Ingress and Egress	5,000	Included
Leasehold Interest	5,000	25,000
Master Key	5,000	25,000
Peak Season Increase	5,000	25,000
Personal Effects	5,000	25,000
Property of Others	5,000	25,000
Rewards: Arson, Burglary Robbery and Vandalism	5,000	25,000
Signs	5,000	Included
Vacant Property	5,000	1,000,000
Valuable Papers	5,000	500,000

Business Interruption

Rent or Rental Value	5,000	500,000
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Additional Endorsements

Virus and Bacteria Exclusion	Not Applicable	Included
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Flood Coverage

Flood Coverage	\$ 50,000	Included
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Notes Applicable to Flood Coverage

1. Flood coverage applies to: all property insured unless it is specifically excluded. Specifically excluded property will be shown under **Changes to Your Insurance Program – Property** in this Report.
2. Deductible is applicable to each premises.

Flood Aggregate – Applicable to All Provinces

"Total Sum Insured" and "all coverages" as declared to the Insurer at the time of the "flood".

Other Endorsements

Fine Arts	2,500	42,768
Bridges	5,000	83,480

(\$) Total Amount of Insurance	11,781,666
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RC = Replacement Cost ACV = Actual Cash Value VAL = Valued

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Equipment Breakdown (Advantage/BM31)

Coverage Description	(\$) Deductibles / Waiting Period	(\$) Limit of Insurance
Direct Damage	2,500	50,000,000 Per Accident
Extra Expense		500,000
Consequential Damage	2,500	50,000
Expediting Expense		Included
Hazardous Substances		500,000
Ammonia Contamination		500,000
Water Damage		500,000
Professional Fees		500,000
Interruption by Civil Authority		30 days
Errors and Omissions		500,000
Loss of Data		100,000
Selling Price		Included
By-Law Cover		Included
Off Premises Mobile Object		25,000
Brands and Labels		250,000
Environmental "Green" Coverage		250,000
Service Interruption		Included Within 2500 metres
Contingent Business Interruption	24 Hours	25,000
Public Relations Coverage		10,000
Gross Rents	24 Hours	500,000

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Owned Automobile

Coverage Description	(\$) Deductibles	(\$) Limit of Insurance
Liability		
Bodily Injury		10,000,000
Property Damage		Included
Accident Benefits		As stated in Section 4 of the Policy
Uninsured Automobile		As stated in Section 5 of the Policy

Direct Compensation – Property Damage

*This policy contains a partial payment of recovery clause for property damage if a deductible is specified for direct compensation-property damage.

Loss or Damage**

Specified Perils (excluding Collision or Upset)

Comprehensive (excluding Collision or Upset)

Collision or Upset

All Perils	1,000	Included
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Endorsements

Fire Department Vehicles	Included
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Replacement Cost	Included
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#5 - Permission to Rent or Lease Automobiles and Extending Coverage to Specified Lessee(s)	Included
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#32 - Use of Recreational Vehicle by Unlicensed Operators	Included
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#44R - Family Protection Coverage	2,000,000
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* This policy contains a partial payment of loss clause.

** deductible applies for each claim except as stated in your policy.

Account Premium

Prior Term	Total Annual Premium (Excluding Taxes Payable)	\$ 103,847	Total Annual Premium (Excluding Taxes Payable)	\$ 108,572
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*Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

The premium Quoted is subject to a 15% minimum retained (unless otherwise stated).

Cost Analysis

	Expiring Program Term	Renewal Program Term
Casualty		
General Liability	\$ 43,178	\$ 45,337
Errors and Omissions Liability	12,525	12,525
Non-Owned Automobile Liability	163	163
Environmental Liability	2,546	2,673
Crime	717	717
Board Members Accident	402	402
Firefighters' Accident	1,170	1,170
Conflict of Interest	324	324
Legal Expense	1,038	1,077
Property		
Property	25,351	27,258
Equipment Breakdown	1,224	1,261
Automobile		
Owned Automobile	15,209	15,665
Total Annual Premium	\$ 103,847	\$ 108,572
(Excluding Taxes Payable)		

Changes to Your Insurance Program

For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings. Please be advised of the following changes to your insurance program that now apply:

Property Policy

Building Values Increased

- Building values have been increased in order to reflect inflationary trends.

Form GNGX408 – Lloyd's Additional Conditions

- Updates have been made to the Lloyd's Additional Condition wording, but the intent remains unchanged. Please review the wording in full for complete details.

Program Options

Intact Public Entities offers a comprehensive insurance program. Outlined below are the program options, followed by your current coverage highlights.

Crime Coverage – Other Optional Coverages

- Other Optional Coverages are also available. See attached Crime Cover Options page for further details.
- Quote is available on request (completed application is required).

Crime Coverage – Fraudulently Induced Transfer Coverage

- Fraudulently Induced Transfer Coverage is now available. Covers a loss when an Insured under the policy has been intentionally misled by someone claiming to be a vendor, client or another employee of the company and the Insured has transferred, paid or delivered money or securities to this third party.
- For coverage information and available options refer to the Fraudulently Induced Transfer Endorsement Coverage Highlights Sheet.

Property Coverage – Income Replacement

- Income can change from year to year so it is important to annually review your Business Interruption needs.
- Higher limits or Optional Coverages to protect your income are available.
- All income producing facilities need to be considered (e.g. arenas, pools, libraries, community halls etc.)

Remotely Piloted Aircraft Systems (UAV) Coverage

- Property and/or Liability Cover may be available for Remotely Piloted Aircrafts (UAV).
- Application required to quote.
- For Coverage information refer to the Remotely Piloted Aircraft (UAV) Highlight Sheet.



Description of Coverage

IPE offers a Comprehensive Insurance Program to meet your needs.

"Your Insurance Coverage" provides a schedule of proposed coverages, limits and deductibles included in this proposal.

Highlights of coverage follow, providing a summary of coverage. Highlight pages may include a description of optional coverages.

The information provided by Intact Public Entities Inc. is intended to provide general information only. For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings. While coverage may be quoted, once a policy is issued coverage is only applicable if shown on Declaration Page or Schedule of Coverage. "Intact Design" is a registered trademark of Intact Financial Corporation. All other trademarks are properties of their respective owners. T11-3 © 2023 Intact Public Entities Inc. and/or its affiliates. All Rights Reserved.

Municipal Liability Coverage Highlights

Overview

We are specialists at insuring Municipal & Public Administrations. Our liability wording has been specially designed to meet the unique needs of these types of risks.

Coverage

- Limits up to \$50,000,000 Available.
- Occurrence coverage with No General Aggregate.
- Territory – World-wide for all coverage.
- Products and Completed Operations – liability arising out of the Insured's operations conducted away from the Insured's premises once those operations have been completed or abandoned.
- Bodily Injury including coverage for assault and battery.
- Personal Injury coverage - broad coverage (including advertising coverage) for acts that violate or infringe on the rights of others.
- Liquor Liability for bodily injury or property damage imposed upon an Insured by a Liquor Liability Act.
- Blanket Contractual for liability assumed by the Insured in contracts, whether reported to the Insurer or not.
- Products Liability - legal liability incurred by an Insured because of injury or damage resulting from a product's exposure.
- Professional/Malpractice Liability including for bodily injury or property damage from professional exposures.
- Employers Liability providing coverage for liability to employees for work-related bodily injury or disease, other than liability imposed on the Insured by a workers compensation law.
- Sewer backup Liability
- Watercraft Liability - full coverage with no restrictions.
- Tenants legal liability
- Cross Liability
- Broad Definition of Insured.

Common Endorsements

In addition to the base wording, we have many optional endorsements to tailor coverage for individual accounts including:

- Wrongful Dismissal (Legal Expense)
- Forest Fire Expense
- Marina Liability Extension
- Sexual Abuse Therapy and Counselling Extension for long term care homes.
- Other endorsements specifically crafted for a particular exposure.

Coverage is Provided for Unique Exposures

- Products and Completed Operations Aggregate Limit may come into play for exposures such as road maintenance, snow removal, garbage collection / waste disposal, street cleaning or other duties that the Insured Municipality has to perform on behalf of third parties.
- Assault and battery coverage is imperative when there are security exposures (e.g. police).
- Products exposures such as utilities (e.g. water) are covered.
- Full Malpractice including Medical Malpractice as well as professional exposures are covered.
- Professional exposures include those such as medical, engineering, design errors or building inspection operations.

Municipal & Public Administration Errors and Omissions Liability Coverage Highlights

Municipal & Public Administration Errors and Omissions Insurance

Municipal & Public Administration Errors and Omissions Insurance (E&O) Coverage protects risks from civil litigation caused by allegations of professional negligence or failure to perform professional duties. E&O focuses on providing coverage when there is financial loss to a third party (rather than bodily injury or property damage as general liability does).

Features

Limits	Typically limits follow that of our Liability. We have the availability to offer up to \$50,000,000.
Defence Costs	Over and above the Limit of Insurance. Whether a potential claim is baseless, or not, mounting legal expense can have serious monetary consequences for an Insured.
No Annual Aggregate	With higher out of court settlements and increased damage awards, large or even a series of small claims can quickly erode an annual aggregate limit.
Claims Made Policy	Pays for claims occurring and reported during the policy period. Our policy provides retroactive coverage (no date need be specified) and stipulates that a claim is first known only when written notice is first received.
Claims Definition	The definition of claim also includes arbitration, mediation or alternative dispute resolution proceedings.
Insured Definition	Includes Councilors, Statutory Officers, Council Committees, Firefighters, Employees and Volunteers.

Coverage Is Provided For Unique Exposures

Insurance	No exclusion for failure to procure or maintain adequate insurance bonds or coverage (e.g. construction projects).
Benefit Plans	Errors or omissions in administering Employee Benefit Plans are covered.
Misrepresentations	Municipal governments are required to provide information with respect to local matters and must ensure the information which is provided is accurate, true and not misleading. Our definition of a Wrongful Act covers misstatements or misleading statements
Other Specialists and Services	Covers errors or omissions when they are rendered in connection with operations that are typical of public sector such as those of building inspections, zoning, planning, developing or regulating by-laws. Officials and employees acting in good faith are often times the subject of lawsuits.

Non-Owned Automobile Coverage Highlights

Overview

Non-Owned and hired automobile liability insurance covers bodily injury and property damage caused by a vehicle not owned by the Insured (including rented or borrowed vehicles). Coverage is provided for Third Party Liability arising from the use or operation of any automobile not owned or licensed in the name of the Insured if it results in bodily injury (including death), property damage (if the property was not in possession of the Insured) to a third party.

Features

SEF No. 96 Contractual Liability:

- When renting a vehicle you engage in a contractual relationship with the rental company where you assume liability for the operation of the automobile. It is therefore important that contractual coverage is added to the policy by way of an endorsement known as SEF (Standard Endorsement Form) No. 96. Contractual Liability coverage is automatically provided for all written contractual agreements with our Non-Owned Automobile coverage.

SEF No. 99 Long Term Lease Exclusion:

- When Contractual Liability is provided under the policy there is also an exclusion for Long Term Leased vehicles SEF No. 99. This excludes coverage for vehicles hired or leased for longer than a certain period such as 30 days.

Territory:

- The Non-Owned Automobile policy provides coverage while in Canada and United States.

Termination Clause:

- The standard termination clause has been amended in that the Insured may still provide notice of cancellation at any time, however, the Insurer must provide ninety days' notice of cancellation to the Insured rather than the standard 15 or 30 days.

SEF No. 94 Legal Liability (Physical Damage) to a Hired/Rented Automobile:

- We automatically provide coverage for damage to a vehicle that you have hired or rented. Coverage is provided via endorsement SEF No. 94. We automatically provide 'All Perils' coverage. The limit of coverage will vary per client.

Additional Information

Courts have repeatedly held that when an automobile is used on a person's behalf or under a person's direction, that person (or entity) has a responsibility for the operation of the automobile and may be held liable for damages in the event of an accident even though he or she is not the owner or driver of the vehicle. This common law principle has been supported by a number of court decisions making an employer responsible for the use and operation of an automobile when an employee is operating an automobile (not owned by the employer) while being used for the employer's business.

Environmental Coverage Highlights

Overview

Pollution incidents are a significant risk that can result in serious harm to public health and safety as well as to the environment.

We provide pollution liability insurance for claims for third-party bodily injury and property damage. Coverage is provided on a blanket basis resulting from pollution conditions on or migrating from premises owned, occupied, rented or leased by the Insured that are discovered and are reported during the policy period. The policy responds to events that are gradual in nature as well as those that are sudden and accidental, causing third-party damage whether pollutants are released on land, into the atmosphere or in the water.

Features

Defence Costs

- Our Defence costs are over and above the limit of insurance and will respond even if allegations are groundless or false.

Storage Tanks

- Seepage or leakage from both above and below ground storage tanks are covered without being specifically listed on the policy.

Territory

- Worldwide territory.

Limits of Insurance

- Both a 'per incident' and an 'aggregate' limit is applicable.

Additional Information

Environmental exposures pose an imminent and substantial threat to public health, safety or welfare or to the environment. Exposures could stem from: wastewater treatment plants, electric utility plants, construction sites, flood and rainwater runoff or retention basins, underground fuel storage tanks, herbicides, pesticides, and fertilizers, road salts and chemicals used to de-ice roads and bridges, contaminated waste from medical facilities or health clinics, marina's, fire-fighting chemicals or even contaminated swimming pools.

An environmental exposure arising from sewers is covered under our liability.

Crime Coverage Highlights

Overview

Our crime coverage is one of the broadest and most flexible in the industry. An Insured may elect to purchase any or all of the Standard Crime Coverage we have available. In addition to the Standard crime coverage the Insured may elect to also purchase any of our Optional Coverages.

Optional Crime Coverage Includes:

- Extortion Coverage (Threats to persons and property).
- Pension or Employment Benefit Plan coverage.
- Residential Trust Fund Coverage.
- Credit Card Coverage.
- Client Coverage (Third Party Bond).
- Fraudulently Induced Transfer Coverage (otherwise known as Social Engineering). *Separate Coverage Highlights Sheet for Fraudulently Induced Transfer Coverage is available.*

For more information on our Optional Coverage refer to our Crime Coverage Options Highlight Sheet.

Features of Our Standard Crime Coverage

Below is a brief description of the Standard Crime Coverage an Insured may elect to purchase:

Employee Dishonesty – Form A Commercial Blanket Bond

- This protects the employer from financial loss due to the fraudulent activities of an employee or group of employees. The loss can be the result of theft of money, securities or other property belonging to the employer.

Loss Inside and Loss Outside the Premises (Broad Form Money and Securities)

- Covers loss by theft, disappearance, or destruction of the Insured's money and securities inside the Insured's premises (or Insured's bank's premises) as well as outside the Insured's premises while in the custody of a messenger.

Money Orders and Counterfeit Paper Currency

Covers Loss

- Due to acceptance of a money order that was issued (or is purported to have been issued) by a post office or express company; and
- From the acceptance of counterfeit paper currency of Canada or the United States.

Forgery and Alteration

- Covers loss due to dishonesty from a forgery or alteration to a financial instrument (cheque, draft or promissory note).

Audit Expense

- Coverage for the expenses that are incurred by the Insured for external auditors to review their books in order to establish the amount of a loss. This is a separate limit of insurance.

Computer and Transfer Fraud (Including Voice Computer Toll Fraud)

- Loss caused when money, securities, or other property is transferred because of a fraudulent computer entry or change. The entry or change must be within a computer system that the Insured owns (and on their premises).
- Loss caused when money or securities are transferred, paid, or delivered from the Insured's account at a financial institution based on fraudulent instructions (at the financial institutions premises).
- Voice computer toll fraud covers the cost of long distance calls if caused by the fraudulent use of an account code or a system password.

Board Members' (Including Councillors') Accidental Death and Dismemberment Coverage Highlights

D&D and Paralysis Limits	Option 1	Option 2
Accidental Death or Dismemberment (including loss of life and heart attack coverage)	\$100,000	\$250,000
Paralysis Coverage – 200% of Accidental Death and Dismemberment Limit		
Permanent Total Disability - Accidental Death and Dismemberment Limit		

Weekly Indemnity	Option 1	Option 2
Total Loss of Time	\$300	\$500
Partial Loss of Time	\$150	\$300

Accident Reimbursement - \$15,000

Chiropractor	Crutches [†]
Podiatrist/Chiropodist	Splints [†]
Osteopath	Trusses [†]
Physiotherapist	Braces (excludes dental braces) [†]
Psychologist	Casts [†]
Registered or Practical Nurse	Oxygen Equipment – Iron Lung
Trained Attendant or Nursing Assistant [‡]	Rental of Wheelchair
Transportation to nearest hospital [†]	Rental of Hospital Bed
Prescription drugs or Pharmaceutical supplies [‡]	Blood or Blood Plasma [‡]
Services of Physician or Surgeon outside of the province	Semi Private or Private hospital room [‡]

[†]Maximum \$1,000 per accident. [‡]If prescribed by physician

Dental Expenses

Dental Expenses	\$5,000
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Occupational Retraining – Rehabilitation

Retraining – Rehabilitation for the Named Insured	\$15,000
Spousal Occupational Training	\$15,000

Repatriation

Repatriation Benefit (expenses to prepare and transport body home)	\$15,000
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Dependent Children – Per Child

Dependent Children's Education (limit is per year- maximum 4 years)	\$10,000
Dependent Children's Daycare (limit is per year- maximum 4 years)	\$10,000

Transportation/Accommodation

(When Treatment Is Over 100km From Residence)

Transportation costs for the Insured when treatment is over 100km from home.	\$1,500
Transportation and accommodation costs when Insured is being treated over 100km from home.	\$15,000

Home Alternation and Vehicle Modification

Expenses to modify the Insured's home and/or vehicle after an accident.	\$15,000
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Seatbelt Dividend

10% of Principal Sum	\$25,000
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Funeral Expense

Benefit for loss of life	\$10,000
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Identification Benefit

Benefit for loss of life	\$5,000
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Eyeglasses, Contact Lenses and Hearing Aids

When Insured requires these items due to an accident.	\$3,000
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Convalescence Benefit – Per Day

Insured Coverage	\$100
One Family Member Coverage	\$50

Workplace Modification Benefits

Specialized equipment for the workplace.	\$5,000
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Elective Benefits**Complete Fractures**

Skull	\$ 5,200	Foot & Toes	\$ 2,200
Lower Jaw	\$ 2,800	Two or More Ribs	\$ 1,900
Collar Bone	\$ 2,800	Colles' fracture	\$ 2,800
Shoulder Blade	\$ 3,500	Potts' fracture	\$ 3,400
Shoulder Blade complications	\$ 3,700	Dislocation	
Thigh	\$ 4,600	Shoulder	\$ 2,200
Thigh/hip joints	\$ 4,600	Elbow	\$ 2,200
Leg	\$ 3,500	Wrist	\$ 2,500
Kneecap	\$ 3,500	Hip	\$ 4,600
Knee/joint complications	\$ 4,000	Knee	\$ 3,500
Hand/Fingers	\$ 2,200	Bones of Foot or Toe	\$ 2,500
Arm (between shoulder & elbow)	\$ 4,600	Ankle	\$ 2,800
Forearm (between wrist & elbow)	\$ 2,800		

Aggregate Limit

Aggregate Limit only applicable when 2 or more board members are injured in same accident.	\$ 2,500,000
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Coverage Extensions

- Standard coverage is applicable while the Insured is 'On Duty'. Coverage for Accidents that may occur 24/7 may be purchased.
- Accidental Death of a Spouse While Travelling on Business is automatically included when this coverage is purchased. This endorsement provides for Accidental Death of a spouse when the spouse is travelling with an Insured Person on business. Coverage applies while travelling to or from such an event and /or if the loss of life occurs within one year of the accident.
- When Board Members' Accidental Death and Dismemberment Coverage is purchased, the Insured also has the option to purchase Critical Illness Coverage.

Additional Information

- Loss of life payments up to 365 days from date of Accident or if permanently disabled up to 5 years.
- Weekly Indemnity coverage pays in addition to Elective Benefits.
- Weekly Indemnity payments take other income sources into consideration (e.g. automobile, CPP, group plans).
- Coverage is applicable to Insured 80 years of age or under.

Firefighters' Accidental Death and Dismemberment Coverage Highlights

Overview

This coverage applies to injury while the insured Person is on duty as a firefighter on behalf of the Insured. On duty means: actually on duty as a firefighter, ambulance driver or attendant, including responding directly to and returning directly from a fire, an emergency alarm or request; participating in rescue operations, emergency medical activities, training, drills, parades, fund-raising events, approved meetings and conventions, and tests or trials of firefighting or ambulance equipment, including while travelling directly to or returning directly from any of the activities specified.

AD&D and Paralysis Limits

Accidental Death or Dismemberment (including loss of life and heart attack coverage)	Option of:
Paralysis Coverage – 200% of Accidental Death and Dismemberment Limit	\$100,000
Permanent Total Disability - Accidental Death and Dismemberment Limit	\$200,000

Weekly Indemnity

Total Loss of Time	\$400
Partial Loss of Time	\$200

Accident Reimbursement - \$10,000

Various expenses (e.g. private hospital room, services of Chiropractor, Physiotherapist, prescription drugs etc.).

Additional Coverage

Dental Expenses	\$1,000
Rehabilitation	\$10,000
Repatriation	\$10,000
Dependent Children's Education	\$7,500 Per Child
Dependent Children's Day Care	\$7,500 Per Child
Spousal Occupational Training	\$10,000
Transportation/Accommodation	\$10,000
Home Alteration/Vehicle Modification	\$10,000
Seatbelt Dividend	\$10,000
Funeral Expenses	\$10,000
Eyeglasses, contact lenses and hearing aids	\$2,000

Heart or Circulatory Malfunctions

If an Insured person suffers from heart or circulatory malfunctions while on duty weekly indemnity coverage or loss of life coverage is payable.	\$100,000
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Infectious Disease, HIV Benefit, Permanent Disfigurement from Burns

If an Insured person sustains any of the above while on duty coverage is extended to pay a benefit.	\$100,000
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Additional Information

- Coverage is applicable when an accident occurs when an Insured is on duty as a firefighter.
- Loss of life payments up to 365 days from date of Accident.
- No Age Restriction.
- Coverage extends to automatically replace new volunteer firefighters without being specifically named on the policy.

Conflict of Interest Coverage Highlights

Overview

Conflict of Interest can be described as a situation in which public servants have an actual or potential interest that may influence or appear to influence the conduct of their official duties or rather divided loyalties between private interests and public duties.

Conflict of Interest coverage provides protection for the cost of legal fees and disbursements in defending a charge under the Municipal Conflict of Interest Act (or other similar Provincial Legislation in the respective province of the Insured).

Features

Coverage is offered as a standalone coverage providing the client a separate limit of insurance that is not combined with any other coverage such as legal expense coverage.

- Per Claim Limit only – No Annual Aggregate.
- Coverage provided on a Reimbursement Basis.

Coverage Description

Coverage is provided for legal costs an Insured incurs in defending a charge under the Provincial Conflict of Interest Act if a court finds that:

- There was no breach by the Insured; or
- The contravention occurred because of true negligence or true error in judgment; or
- The interest was so remote or insignificant that it would not have had any influence in the matter.

Additional Information

Coverage is provided for elected or appointed members of the Named Insured including any Member of its Boards, Commissions or Committees as defined in the 'Conflict of Interest Act' while performing duties related to the conduct of the Named Insured's business.

Conflict of Interest coverage is applicable to only those classes of businesses that are subject to the Municipal Conflict of Interest Act (or other similar Provincial legislation in the respective province of the Insured).

Legal Expense Coverage Highlights

Coverage Features

We offer comprehensive Legal Expense Coverage to protect an Insured against the cost of potential legal disputes arising out of your operations.

- Coverage will pay as costs are incurred.
- Broad Core Coverage.
- Optional Coverage.
- Coverage for Appeals for Legal Defence Costs and any Optional Coverage purchased.
- Unlimited Telephone Legal Advice and access to Specialized Legal Representation in event of legal disputes.
- Additional Optional Coverage available.
- Broad Definition of Insured including managers, employees and volunteers.

Broad Core Coverage

The core coverage provides Legal Defence Costs for:

- Provincial statute or regulation (including human rights tribunals).
- Criminal Code Coverage when being investigated or prosecuted. Coverage is applicable whether pleading guilty or a verdict of guilt is declared.
- Civil action for failure to comply under privacy legislation.
- Civil action when an Insured is a trustee of a pension fund for the Named Insured's employees.

Optional Coverage

In addition to the Core Coverage an Insured can mix and match any of the following Optional Coverage:

- Contract Disputes and Debt Recovery
- Statutory License Protection
- Property Protection
- Tax Protection

Limits and Deductibles

- Coverage is subject to a Per Claim and an Aggregate Limit.
- The Core Coverage is typically written with no deductible however a deductible may be applied to Optional Coverage.

Exclusions

- Each Insuring Agreement is subject to Specific Exclusions and Policy Exclusions.
- Municipal Conflict of Interest Act (or other similar provisions of other Provincial legislation) is excluded.
* Conflict of Interest Coverage may be provided under a separate policy for eligible classes of business.

Telephone Legal Advice and Specialized Legal Representation

- General Advice (available from 8 am until 12 am local time, 7 days a week).
- Emergency access to a Lawyer 24 hours a day, 7 days a week.
- Services now automatically include the option of using an appointed representative from a panel of Lawyers with expertise in a variety of areas.

Client Material and Wallet Card

- The 'Legal Expense Important Information' wording attached to each policy explains the steps that are to be taken in event of a claim.
- A wallet card is now attached to the policy which the Named Insured can copy & distribute to each Insured (e.g. managers, employees, etc.).

Property Coverage Highlights

Overview

Property insurance is about planning for the unexpected and protecting your physical assets in order to minimize your business disruption should a loss occur. It is important that your property insurance includes broad coverage to protect these assets (e.g. buildings and other property you own, lease or are legally liable for) from direct physical loss.

We will work closely with you to customize a property coverage solution. We cover a wide variety of property, including buildings, inventory and supplies, office furniture and fixtures, computers, electronics, equipment (including unlicensed mobile equipment, maintenance and emergency equipment) and other unique property.

The IPE property wording is flexible and adaptable. Your policy will be comprised of a Base Property Wording and a Municipal & Public Administration Extension of Coverage Endorsement as well as any miscellaneous or specific endorsements to tailor coverage to meet your needs.

Features and Benefits

Features and Benefits include:

- Coverage is typically written on an all-risk basis including replacement cost.
- Our standard practice is to write property on a Property of Every Description (POED) or blanket basis, however, coverage can be scheduled separately if required.
- We have two Deductible Clauses: A standard Deductible Clause and a Dual Policy Deductible Clause. The Dual Policy Deductible clause states how a deductible will be applied when there is both an automobile policy and a property policy involved in the same loss (when both policies are written with IPE).
- Worldwide Coverage
- Unlicensed Equipment (e.g. Contractors Equipment): Automatically includes Replacement Cost as the basis of settlement up to five years in age. For years 6 to 15 coverage will be amended to scheduled, Replacement Cost value. Any Contractors Equipment over 15 years will be amended Actual Cash Value (ACV) or Valued basis if required (applicable only if the Insured owns the unlicensed equipment).
- Flood and Earthquake coverage are available.

Supplemental Coverage Under the Base Property Wording

The Base Property Wording automatically includes numerous Supplemental Coverages such as:

- | | |
|---|---|
| • Building Bylaws | • Furs, Jewellery and Ceremonial Regalia |
| • Building Damage by Theft | • Inflation Adjustment |
| • Debris Removal Expense | • Live Animals, Birds or Fish |
| • Electronic Computer Systems | • Newly Acquired Property |
| • Expediting Expense | • Professional Fees |
| • Fire or Police Department Service Charges | • Property at Unnamed Locations |
| • First Party Pollution Clean-Up Coverage | • Property Temporarily Removed including while on Exhibition and during Transit |
| • Fungi (covers the expense for any testing, evaluating or monitoring for fungi or spores required due to loss) | • Recharge of Fire Protective Equipment |
| | • Sewer Back Up and Overflow |

Note: The Supplemental Coverage does not increase your Total Sum Insured in most cases.

Municipal & Public Administration Extensions of Coverage Endorsement

Each Extension of Coverage has an individual Limit of Insurance and will be shown on the Summary of Coverage/Declarations Page.

The Limit of Insurance for each Extension of Coverage is over and above the Total Sum Insured (unless shown as 'included' on the declarations or otherwise stipulated within the wording).

- Accounts Receivable
- Bridges and Culverts
- Building Coverage Owned Due to the Non Payment of Municipal Taxes – *Named Perils Coverage applies.*
- Building(s) in the Course of Construction Reporting Extension
- By Laws – Governing Acts
- Consequential Loss caused by Interruption of Services
- Cost to Attract Volunteers Following a Loss
- Docks, Wharves and Piers
- Errors and Omissions
- Exterior Paved Surfaces
- Extra Expense
- Fine Arts at Own Premises and Exhibition Site
- Fundraising Expenses
- Green Extension
- Growing Plants
- Ingress and Egress
- Leasehold Interest
- Master Key
- Peak Season Increase
- Personal Effects
- Property of Others
- Rewards: Arson, Burglary, Robbery and Vandalism
- Signs
- Vacant Properties – *Named Perils Coverage applies on an Actual Cash Value basis.*
- Valuable Papers

Equipment Breakdown Advantage Highlights

Overview

Property policies typically exclude losses that Equipment Breakdown Insurance is designed to cover.

Equipment Breakdown Coverage insures against losses (property damage and business interruption) resulting from 'accidents' (as defined in the wording) to various types of equipment such as pressure, mechanical, electrical and pressure equipment. Coverage also extends to electronic equipment for 'electronic circuitry impairment'. Coverage typically extends to production machinery unless specifically excluded.

Features

Coverage is extended to pay for:

Property Damage: The cost to repair or replace damaged equipment or other covered property, including computers, due to a covered accident.

Business Income: The loss of business income due to an interruption caused by a covered accident from the date of loss until such equipment is repaired or replaced or could have been repaired or replaced plus additional time to allow your business to become fully operational.

Extra Expense: Additional costs (e.g., equipment rental) you incur after a covered loss to maintain normal operations.

Expediting Expenses: The cost of temporary repairs or to expedite permanent repairs to restore business operations.

Service Interruption: Business income and extra expense resulting from a breakdown of equipment owned by a supplier with whom the Insured has a contract to supply a service. If there is no contract, the equipment must be within 2500 metres of the location.

Data Restoration: The restoration of data that is lost or damaged due to a covered loss.

By laws: The additional costs to comply with building laws or codes.

Other Coverage: Spoilage, Hazardous Substances, Ammonia, Water damage, Professional Fees, Errors and Omissions, Newly Acquired Locations or Civil Authority

Coverage Automatically Includes:

Microelectronics Coverage: Provides insurance when physical damage is not detectable or when firmware or software failure causes non-physical damage. Triggered when covered equipment suddenly stops functioning as it had been and that equipment or a part containing electronic circuitry must be replaced.

Service Interruption: Pays for business interruption and extra expense when your cloud computing service provider experiences an outage due to an equipment breakdown.

Off Premises Objects: Extends coverage to transportable equipment anywhere in North America.

Brands and Labels: Pays for the cost of removing labels or additional cost of stamping salvaged merchandise after a loss.

Equipment Upgrade: Pays for any increase in the replacement of new equipment that is capable of performing the same functions that may include technological improvements, 25% max of \$250,000.

Selling Price: Pays for regular cash selling price at the time of loss of such manufactured products or merchandise at the location

Other Benefits

Public Relations Coverage: (when business income coverage is purchased other than extra expense) pays for public relations assistance to help manage your reputation that may be damaged by business interruption or data loss.

Contingent Business Interruption: (when business income coverage is purchased other than extra expense) pays for Business Income resulting from a covered accident to property not owned, operated or controlled by the Insured.

Additional Information

Intact automatically provides inspection services for boilers and pressure vessels to satisfy the provincial inspection requirements on our behalf.

Owned Automobile Coverage Highlights

Overview

We can provide mandatory automobile coverage for all licensed vehicles owned and/or leased by the Insured.

Features

Third Party Liability Coverage:

- Coverage is provided for Third Party Liability (bodily injury and property damage) protecting you if someone else is killed or injured, or their property is damaged. It will pay for claims as a result of lawsuits against you up to the limit of your coverage, and will pay the costs of settling the claims. Coverage is for licensed vehicles you own and/or leased vehicles.

Standard Statutory Accident Benefits Coverage:

- We automatically provide standard benefits if you are injured in an automobile accident, regardless of who caused the accident. Optional Increased Accident Benefits Coverage is available upon written request.

Optional Statutory Accident Benefits Coverage - Available upon request

- Including coverage for: Income Replacement; Caregiver, Housekeeping & Home Maintenance; Medical & Rehabilitation; Attendant Care; Enhanced Medical Rehabilitation & Attendant Care; Death & Funeral; Dependent Care; Indexation Benefit (Consumer Price Index) – Ontario

Direct Compensation Property Damage:

- Covers damage to your vehicle or its contents, and for loss of use of your vehicle or its contents, to the extent that another person was at fault for the accident as per statute.

Physical Damage Coverage:

- Various basis of settlement including: Replacement Cost, Valued Basis and Actual Cash Value. Refer to Owned Automobile Replacement Cost Coverage Highlights page for details on Replacement Cost Coverage.

Additional Information

Blanket Fleet Endorsement:

- Coverage may be provided on a blanket basis under the 21B – Blanket Fleet Endorsement. When this endorsement is attached to the policy, premium adjustment is done on renewal. Adjustment is made on a 50/50 or pro rata basis as specified in the endorsement. Mid-term endorsements are not processed on policies with this blanket cover.

Single Loss:

- If a single loss involves both the Automobile and Property Insurance policies, the Property policy deductible is waived only on any insured property attached to the automobile.

For a list of vehicles quoted, refer to Exhibit "B".

Owned Automobile Replacement Cost Coverage Highlights

Overview

The Replacement Cost Endorsement if attached to your automobile policy amends Section 7 'Loss or Damage Coverages' of the policy to remove our right to deduct depreciation in the event of a loss.

Coverage under this endorsement is as follows:

We will pay:

- the cost to repair the automobile with material of like kind and quality
- In the event of constructive or total loss:
 - the cost of **replacing the automobile** with a new automobile of the same make and model, similarly, equipped **if you are the original purchaser** and the automobile was new at the time of delivery;
 - **the actual price paid by you** for the automobile and its equipment or actual cash value whichever is greater:
 - i) **if the automobile was not new** at the time of purchase, or
 - ii) **if you are not the original purchaser**, or
 - for **fire trucks over 20 years but not exceeding 25 years, the actual price paid by you** for the automobile and its equipment or actual cash value whichever is greater.

The following conditions apply:

- coverage only applies to owned light and heavy commercial automobiles, licensed contractor equipment and trailers that are **20 years old or newer** and **for fire trucks over 20 years but not exceeding 25 years as stipulated above**
- coverage does not apply to any automobiles branded rebuilt
- coverage does not apply to any automobiles insured on an agreed value basis

Important Information

- Replacement Cost Coverage is no longer available for Private Passenger Vehicles and Miscellaneous Vehicles
- Please refer to the endorsement wording for complete details of coverage.
- When providing us with details of additional or substituted vehicles, please advise us of the purchase price and whether the vehicle was purchased new or used.



Program Options Highlights of Coverage

IPE offers a Comprehensive Insurance Program to meet your needs.

"Your Insurance Coverage" provides a schedule of proposed coverages, limits and deductibles included in this proposal.

Highlights of coverage follow, providing a summary of coverage. Highlight pages may include a description of optional coverages.

The information provided by Intact Public Entities Inc. is intended to provide general information only. For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings. While coverage may be quoted, once a policy is issued coverage is only applicable if shown on Declaration Page or Schedule of Coverage. Intact Design is a registered trademark of Intact Financial Corporation. All other trademarks are properties of their respective owners. TM & © 2022 Intact Public Entities Inc. and/or its affiliates. All Rights Reserved.

Crime Coverage Options

Extortion Coverage (Threats to Persons and Threats to Property)

Coverage for both 'Threats to a Person' and 'Threats to Property' are sold together with a separate limit of insurance applying to each.

Threats to Person:

- Coverage responds when a threat is communicated to the Insured to do bodily harm to a director, officer or partner of the Insured (or a relative) when these persons are being held captive and the captivity has taken place within Canada or the U.S.A.

Threats to Property:

- Coverage responds when a threat is communicated to the Insured to do damage to the premises or to property of the Insured is located in Canada or the U.S.A.

Pension or Employee Benefit Plan Coverage

Coverage is for loss resulting directly from a dishonest or fraudulent act committed by a fiduciary (a person who holds a position of trust) in administering a pension or employee benefit plan. Coverage is provided whether the fiduciary is acting alone or in collusion with others. Fiduciary relationships may be created by statute however; individuals may also be deemed fiduciaries under common law.

Residential Trust Fund Coverage (for Select Classes of Business Only)

- Covers loss of property (money, securities or other property) belonging to a resident when it is held in trust by a residential facility. Coverage is for loss directly attributable to fraudulent act(s) committed by an employee of the facility whether the employee was acting alone or in collusion with others.
- A residential facility comprises a wide range of facilities and includes any residential facility operated for the purpose of supervisory, personal or nursing care for residents.
- Coverage stipulates that the 'resident' must be a person who is unable to care for themselves (this could be due to age, infirmity, mental or physical disability).
- When a resident is legally related to the operator of the residential facility, coverage is specifically excluded.

Credit Card Coverage

Coverage is for loss from a third party altering or forging a written instruction in connection with a corporate credit card issued to an employee, officer or partner.

Client Coverage (Third Party Bond)

Coverage is extended to provide for theft of a clients' property by an employee (or employees) of the Insured.

Fraudulently Induced Transfer Coverage

Coverage is provided when an Insured under the policy has been intentionally misled by someone claiming to be a vendor, client or another employee of the company and the Insured has transferred, paid or delivered money or securities to this third party.

Fraudulently Induced Transfer Endorsement Coverage Highlights (Social Engineering)

Overview

Fraud today has become much more sophisticated and complex with Fraudulently Induced Transfer Crimes (otherwise known as Social Engineering) trending in today's marketplace. In response to this trend we now offer a Fraudulently Induced Transfer Endorsement as part of our suite of Crime Coverage.

These types of crimes are usually a targeted approach where criminals are after something definite from the target, either money (usually in the form of a wire transfer) or information (such as a list of vendors, routing numbers, etc.). Often times communications are sent to an employee (most often via email, telephone or a combination of the two), which are doctored to appear as if they are sent by a senior officer of the company or by one of its customers or vendors. Essentially criminals prey on human and procedural vulnerabilities. The standard crime coverage does not respond to these types of losses as an employee of the organization has voluntarily parted with the money or securities and would be considered an active participant in the loss.

Example 1

Instructions to an employee supposedly coming from a vendor or customer are often accomplished by informing the employee that they have changed banks and require the company to use the new banking information for future payments.

Example 2

Instructions to an employee supposedly coming from an internal source (e.g. senior staff) to bypass in-house safeguards and redundancies, criminals apply pressure by imposing a time constraint, demanding secrecy or simply flattering the ego of the target by including him or her "in" on an important business transaction.

Fraudulently Induced Transfer coverage is an optional endorsement that may be purchased. Coverage is subject to a satisfactory supplementary application being completed.

Fraudulently Induced Transfer Losses, Cyber Losses and Current Crime Policies

Even though this fraud often involves emails and wire transfers, cyber policies are not designed to cover them:

- Cyber policies cover losses that result from unauthorized data breaches or system failures. Fraudulently Induced Transfer actually depends on these systems working correctly in order to communicate with an organization's employees and transfer information or funds.
- Crime policies cover losses that result from theft, fraud or deception. As the underlying cause of a loss is 'fraud', a company would claim a loss under its crime policy rather than its cyber policy. Without this endorsement, coverage would be denied under a crime policy due to the Voluntary Parting Exclusion.

Fraudulently Induced Transfer Endorsement Features

- Coverage is provided when an Insured under the policy has been intentionally misled by someone claiming to be a vendor, client or another employee of the company and the Insured (employee) has transferred, paid or delivered money or securities to this third party.
- Fraudulently Induced Transfer is defined as: The intentional misleading of an employee, through misrepresentation of a material fact which is relied upon by an employee, believing it to be genuine to voluntarily transfer funds or valuable information to an unintended third party.

Limits and Deductible

The Fraudulently Induced Transfer Endorsement is subject to:

- Separate Limits of Insurance (both an Occurrence and Aggregate);
- A separate deductible;
- Limits ranging from \$10,000 - \$100,000.

Remotely Piloted Aircraft Systems (UAV) Coverage Highlights

Overview

- Transport Canada is responsible for regulating UAV's. Their terminology for UAV's (Unmanned Aerial Vehicles) has changed and these are now considered to be Remotely Piloted Aircraft Systems (RPAS) rather than UAV's. Regulations regarding operator licensing has also changed.
- Liability or property policies can be enhanced with endorsements to cover RPAS. Coverage may be available when operators are in compliance with current regulations. Coverage offered is intended to close the gap in liability and property insurance because of aviation exclusions.

Property Coverage

- Property: (Optional Coverage).
- All Risk Coverage for the RPAS including all permanently attached equipment and Ground or Operating Equipment (including any detachable equipment such as cameras etc.).
- Coverage includes electrical and mechanical breakdown.
- Basis of settlement options include: Replacement Cost, Valued Amount or Actual Cash Value.
- **In addition to the standard exclusions within the Property All Risk Wording, the following exclusions also apply:**
 - Those used for military purposes, personal or recreational use.
 - Those being rented to, leased to or lent to others.
 - Mysterious disappearance after commencement of a flight unless RPAS remains unrecovered for 30 days.
 - If they are not in compliance with the manufacturer's specifications (e.g. the weight payload) is exceeded, when operated in wind at a higher speed than recommended etc.).
 - RPAS must not exceed 500 meters in altitude or the range of 1km from the operator.
 - Hijacking or unauthorized control of the RPAS or Equipment.
 - Failure to comply with any statute, permit, rule, regulation or any requirement for qualification to operate the RPAS or the equipment.

Liability Coverage

- While Transport Canada mandates a minimum amount of insurance (\$100,000), coverage will follow the liability limit up to \$15,000,000. Higher limits may be available.
- We will extend liability to RPAS.
- Having a range of up to a maximum of 1km from the operator.
- With an altitude of 500 metres or less.
- Operators meeting all Transport Canada regulations.
- Not being used for military purposes, personal or recreational use.

Important Information

While our endorsements are primarily designed to offer coverage RPAS 25kg or less, we may be able to offer coverage for those falling outside of these parameters through our general aviation market.

Claims Exhibit

IMPORTANT: This claims report is prepared by Intact Public Entities for the sole and exclusive use of Intact Public Entities, the Insured and, where applicable, their broker and may not be relied upon by any other party. By receipt of this information the Insured and their broker acknowledge their responsibility for keeping this information *strictly confidential*. Neither Intact Public Entities nor its representatives shall be liable, either directly or indirectly, for any loss, damage, injury or costs suffered or incurred by the Insured or any other party arising or alleged to have arisen by the reliance on this report, outside of Intact Public Entities. Intact Public Entities is not responsible for any changes or alterations to this report from its original form or content. For further information, please refer to your policy.

WARNING: Claim reserves by their nature are estimates only and are subject to change. Casualty claims can be complex and can take many years to reach resolution. Over that time it is not unusual for claims costs to escalate, sometimes dramatically, from current estimates. Further, for many reasons liability claims are often reported after a policy year has ended - sometimes years later. Therefore, this report is likely not a complete or final view of the ultimate incurred claims for this Insured.

Classification of Claim	Year	Number	Incurred Amount *
1. Liability			
	2015-2016	0	\$ 0
	2016-2017	0	0
	2017-2018	0	0
	2018-2019	1	21,361
	2019-2020	0	0
	2020-2021	1	26,697
	2021-2022	0	0
	2022-2023	0	0
	2023-2024	1	0
	2024-2025	1	15,100
	TOTAL	4	\$ 63,158
2. Errors and Omissions			
	2015-2016	0	\$ 0
	2016-2017	0	0
	2017-2018	0	0
	2018-2019	1	2,264
	2019-2020	0	0
	2020-2021	0	0
	2021-2022	0	0
	2022-2023	0	0
	2023-2024	0	0
	2024-2025	0	0
	TOTAL	1	\$ 2,264

Classification of Claim	Year	Number	Incurred Amount *
<hr/>			
3. Automobile			
	2015-2016	1	\$ 1,709
	2016-2017	0	0
	2017-2018	0	0
	2018-2019	0	0
	2019-2020	0	0
	2020-2021	0	0
	2021-2022	0	0
	2022-2023	0	0
	2023-2024	0	0
	2024-2025	0	0
	TOTAL	1	\$ 1,709
4. Property Buildings/Contents			
	2015-2016	0	\$ 0
	2016-2017	0	0
	2017-2018	1	740
	2018-2019	0	0
	2019-2020	0	0
	2020-2021	0	0
	2021-2022	0	0
	2022-2023	0	0
	2023-2024	1	78,450
	2024-2025	0	0
	TOTAL	2	\$ 79,190

* INCURRED AMOUNT - Includes all payments plus outstanding reserves plus expenses, less any deductible applying.

EXHIBIT “A”

Estimate of Values

The information contained herein is confidential, commercial, financial, scientific and/or technical information that is proprietary to Intact Public Entities Inc. and cannot be disclosed to others. Any such disclosure could reasonably be expected to result in significant prejudice to the competitive position of Intact Public Entities Inc., significant interference with its competitive position and/or cause it undue loss. TM & © 2023 Intact Public Entities Inc. and/or its affiliates. All Rights Reserved.

CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

EXHIBIT "A"

BUILDINGS AND STRUCTURES

24/09/2025

ESTIMATE OF VALUES

CEMETERY

1	COLUMBARIUM, HIGHWAY 538, ALGOMA MILLS, P0R 1A0	8,400
2	FENCING, HIGHWAY 538, ALGOMA MILLS, P0R 1A0	12,400
3	COLUMBARIUM, HIGHWAY 538, ALGOMA MILLS, P0R 1A0	7,900

EXCLUDED - TRAILHEAD

87	EXCLUDED - BOARDWALK, 5165 HIGHWAY 17, SPRAGGE, P0R 1K0	0 EXC
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FIRE

4	FIRE HALL #2, 5759 HIGHWAY 17, SERPENT RIVER, P0R 1A0	1,179,700
5	FIRE DEPARTMENT RADIO EQUIPMENT STORAGE, HIGHWAY 108 NORTH & HIGHWAY 17, ALGOMA MILLS, P0R 1A0	2,800

GENERAL

6	ONE (1) SIGN (\$3,348 INCLUDED WITHIN EXTENSION LIMIT), ALGOMA MILLS, P0R 1A0	0 LIM REP
7	TOWNSHIP MAP SIGN PLATFORMS (8' X 30'), DEER TRAIL, NORTH SHORE, P0R 1A0	11,800 SCH REP
8	ONE (1) SIGN (\$3,348 INCLUDED WITHIN EXTENSION LIMIT), HIGHWAY 108 NORTH, ALGOMA MILLS, P0R 1A0	0 LIM REP
9	TWO (2) SIGNS (6,696 INCLUDED WITHIN EXTENSION LIMIT), HIGHWAY 17, ALGOMA MILLS, P0R 1A0	0 LIM REP
10	TOWNSHIP MAP SIGN PLATFORM (8' X 20'), HIGHWAY 17 VIEWING PLATFORM, NORTH SHORE, P0R 1A0	11,800 SCH REP
11	VIEWING PLATFORM (15' X 30'), HIGHWAY 17 VIEWING PLATFORM, NORTH SHORE, P0R 1A0	32,600 SCH REP
12	FENCING - VIEWING PLATFORM, HIGHWAY 17 VIEWING PLATFORM, NORTH SHORE, P0R 1A0	6,500
13	TWO (2) SIGNS AT VIEWING PLATFORM - EQUAL AMOUNT ON EACH (\$2,268 INCLUDED WITHIN EXTENSION LIMIT), HIGHWAY 17 VIEWING PLATFORM, NORTH SHORE, P0R 1A0	0 LIM REP
14	40' STORAGE TRAILER, HIGHWAY 17 VIEWING PLATFORM,	4,500

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REF:54200

21/07/2025

CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

EXHIBIT "A"

BUILDINGS AND STRUCTURES

24/09/2025

ESTIMATE OF VALUES

NORTH SHORE, P0R 1A0

15	WASHROOM, HIGHWAY 17 VIEWING PLATFORM, NORTH SHORE, P0R 1A0	3,400	
16	FENCING, HIGHWAY 538 - CAUSEWAY PARK, ALGOMA MILLS, P0R 1A0	18,600	
17	ONE (1) SIGN (\$3,348 INCLUDED WITHIN EXTENSION LIMIT), SERPENT RIVER, P0R 1A0	0	LIM REP
86	RENTAL INCOME	500,000	LIM

GENERAL/FIRE

18	MUNICIPAL OFFICES AND FIRE HALL, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	1,841,900	
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LANDFILL

19	LANDFILL ATTENDANT SHELTER, 5931 HIGHWAY 17, SERPENT RIVER, P0R 1A0	5,700	
20	WASHROOM, 5931 HIGHWAY 17, SERPENT RIVER, P0R 1A0	3,200	

RECREATION

21	TWO (2) CHANGE HOUSES, 1011 LAUZON VILLAGE ROAD, ALGOMA MILLS, P0R 1A0	6,700	
22	TWO (2) WASHROOMS, 1011 LAUZON VILLAGE ROAD, ALGOMA MILLS, P0R 1A0	15,500	
23	GAZEBO, 1011 LAUZON VILLAGE ROAD, ALGOMA MILLS, P0R 1A0	4,100	
24	LAUZON CREEK PEDESTRIAN BRIDGE , 1011 LAUZON VILLAGE ROAD, ALGOMA MILLS, P0R 1A0	33,480	LIM REP
25	VOLLEY BALL COURT SURFACE INCLUDING NETTING AND POSTS, 1011 LAUZON VILLAGE ROAD, ALGOMA MILLS, P0R 1A0	13,000	
26	LAUZON BEACH DOCK INCLUDING BOAT LAUNCH PAD (\$28,150 INCLUDED WITHIN EXTENSION LIMIT), 1011 LAUZON VILLAGE ROAD, ALGOMA MILLS, P0R 1A0	0	LIM REP
27	PATER BOAT LAUNCH (\$2,245 INCLUDED IN EXTENSION	0	LIM REP

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CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

EXHIBIT "A"

BUILDINGS AND STRUCTURES

24/09/2025

ESTIMATE OF VALUES

	LIMIT), 1023 YACHT CLUB ROAD, SPRAGGE, P0R 1K0	
28	WASHROOM, 1023 YACHT CLUB ROAD, SPRAGGE, P0R 1K0	2,500
29	PAVILLION, 1023 YACHT CLUB ROAD, SPRAGGE, P0R 1K0	6,900
30	PATER DOCK (\$12, 741 INCLUDED IN EXTENSION LIMIT), 1023 YACHT CLUB ROAD, SPRAGGE, P0R 1K0	0 LIM REP
31	OUTDOOR RINK CHANGE HOUSE, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	18,900
32	OUTDOOR RINK CANOPY ROOF (ENGINEERED STRUCTURE), 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	84,400
33	WASHROOM, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	3,400
34	PLAYGROUND EQUIPMENT, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	7,200
35	OUTDOOR RINK BOARDS, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	9,000
36	FLOODLIGHTING, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	10,800
37	TENNIS COURT FENCING AND EQUIPMENT, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	22,500
38	WASHROOM, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	3,400
39	STORAGE GARAGE, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	103,100
40	CAUSEWAY PAVILION, HIGHWAY 538 - CAUSEWAY PARK, ALGOMA MILLS, P0R 1A0	51,200
41	CAUSEWAY PAVILLION, HIGHWAY 538 - CAUSEWAY PARK, ALGOMA MILLS, P0R 1A0	6,800
42	BOAT LAUNCH (\$2,002 INCLUDED IN EXTENSION LIMIT), HIGHWAY 538 - CAUSEWAY PARK, ALGOMA MILLS, P0R 1A0	0 LIM REP
43	CAUSEWAY DOCK (\$16, 017 INCLUDED IN EXTENSION LIMIT), HIGHWAY 538 - CAUSEWAY PARK, ALGOMA MILLS, P0R 1A0	0 LIM REP
44	MISCELLANEOUS BRIDGE UNDER 100 FEET	50,000 LIM REP

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CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

EXHIBIT "A"

BUILDINGS AND STRUCTURES

24/09/2025

ESTIMATE OF VALUES

SEWAGE

45	*	SEWAGE TREATMENT PLANT, 1009 LONG STREET, ALGOMA MILLS, P0R 1A0	827,500
46	**	FENCING, 1009 LONG STREET, ALGOMA MILLS, P0R 1A0	163,800
47	*	SEWAGE LIFT STATION, 1029 SHORT STREET - (PRONTO SUB-DIVISION), ALGOMA MILLS, P0R 1A0	138,600

TRAILHEAD

48		INFO CENTRE AND WASHROOM, 5165 HIGHWAY 17, SPRAGGE, P0R 1K0	310,200 SCH ACV
49		FLOODLIGHTING, 5165 HIGHWAY 17, SPRAGGE, P0R 1K0	26,400
50		PAGODA, 5165 HIGHWAY 17, SPRAGGE, P0R 1K0	33,000

WATERWORKS

51	*	WATER TREATMENT PLANT, 1029 SHORT STREET - (PRONTO SUB-DIVISION), ALGOMA MILLS, P0R 1A0	1,407,200
52	**	FENCING, 1029 SHORT STREET - (PRONTO SUB-DIVISION), ALGOMA MILLS, P0R 1A0	33,600
53	*	WATER TREATMENT PLANT, 1566 RIVERVIEW ROAD (SERPENT RIVER), ALGOMA MILLS, P0R 1A0	1,079,700
54	**	FENCING, 1566 RIVERVIEW ROAD (SERPENT RIVER), ALGOMA MILLS, P0R 1A0	63,000

WORKS

55		STORAGE (FORMER MTC), 1242 HIGHWAY 108, SPRAGGE, P0R 1K0	98,400
56		GARAGE, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	47,500
57		STORAGE AND WORKSHOP, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	64,500
58		SMALL STORAGE, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	4,300

TOTALS:

<u>BLANKET</u>	<u>SPECIFIED</u>
7,451,900	949,880

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REF:54200

21/07/2025

Scheduled Items

Item Description	Coverage	Deductible	Basis of Settlement	(\$) Limit of Insurance
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DEER TRAIL

7	TOWNSHIP MAP SIGN PLATFORMS (8' X 30')	All Risk	5,000	Replacement Cost	11,800
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HIGHWAY 17 VIEWING PLATFORM

10	TOWNSHIP MAP SIGN PLATFORM (8' X 20')	All Risk	5,000	Replacement Cost	11,800
11	VIEWING PLATFORM (15' X 30')	All Risk	5,000	Replacement Cost	32,600

5165 HIGHWAY 17

48	INFO CENTRE AND WASHROOM	All Risk	5,000	Actual Cash Value	310,200
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1385 HIGHWAY 17

83	2011 JOHN DEERE 310SJ BACKHOE INCLUDING PALLET FORKS, SERIAL NO. 1T0310SJCB0194817	All Risk	5,000	Replacement Cost	46,900
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POLICY EFF: 24/09/2025
MODIFIED: 21/07/2025

RISK NO: 54200
QUOTE: 544235

Bridges

PROPERTY INSURED		DEDUCTIBLE	BASIS OF SETTLEMENT	LIMIT OF INSURANCE
1011 LAUZON VILLAGE ROAD				
24	LAUZON CREEK PEDESTRIAN BRIDGE	5,000	Replacement Cost	33,480
UNSPECIFIED LOCATION				
44	MISCELLANEOUS BRIDGE UNDER 100 FEET	5,000	Replacement Cost	50,000

CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

EXHIBIT "A"

OTHER PROPERTY (Excluding Buildings)

24/09/2025

ESTIMATE OF VALUES

EXCLUDED

59	EXCLUDED - ALL DEFIBRILLATORS, VARIOUS LOCATIONS, P0R 1A0	0 EXC
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FIRE

60	FIRE DEPARTMENT COMMUNICATION RECEIVING AND TRANSMITTING EQUIPMENT, 1242 HIGHWAY 108, SPRAGGE, P0R 1K0	58,536
61	FIRE HALL CONTENTS AND EQUIPMENT INCLUDING FIRE- FIGHTING EQUIPMENT, 5759 HIGHWAY 17, SERPENT RIVER, P0R 1A0	31,428
62	20KW GENERATOR, 5759 HIGHWAY 17, SERPENT RIVER, P0R 1A0	12,960
63	TWO (2) 5KW GENERATORS (EQUAL AMOUNT ON EACH), 5759 HIGHWAY 17, SERPENT RIVER, P0R 1A0	5,400

GENERAL

64	VIEWING PLATFORM GOGGLES, HIGHWAY 17 VIEWING PLATFORM, NORTH SHORE, P0R 1A0	8,316
65	TENT (40' X 100')	10,800

GENERAL/FIRE

66	MUNICIPAL OFFICE CONTENTS, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	83,808
67	LEASED CANON IRC5240 COPIER, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	10,000
68	ELECTRONIC COMPUTER SYSTEMS - EQUIPMENT, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	34,600
69	FIRE HALL CONTENTS AND FIRE-FIGHTING EQUIPMENT, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	210,000
70	SURVEILLANCE CAMERA AND COMPUTER, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	3,456

HERITAGE

85	FINE ARTS - CP HERITAGE LOCOMOTIVE AND INTERPRETIVE SIGNAGE, 1096 HWY 538, ALGOMA MILLS, P0R 1A0	42,768 LIM VAL
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21/07/2025

CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

EXHIBIT "A"

OTHER PROPERTY (Excluding Buildings)

24/09/2025

ESTIMATE OF VALUES

LANDFILL

71	EIGHT (8) GARBAGE BINS AND FOUR (4) RECYCLE BINS, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	81,432
72	EIGHT (8) GARBAGE BINS AND EIGHT (8) RECYCLE BINS, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	81,324
73	EIGHT (8) GARBAGE BINS AND FOUR (4) RECYCLE BINS, 5931 HIGHWAY 17, SERPENT RIVER, P0R 1A0	81,432
74	SURVEILLANCE CAMERAS AND COMPUTER, 5931 HIGHWAY 17, SERPENT RIVER, P0R 1A0	2,376

RECREATION

75	RECREATION DEPARTMENT CONTENTS INCLUDING MISCELLANEOUS TOOLS, EQUIPMENT AND SUPPLIES, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	22,896
76	SURVEILLANCE CAMERA AND COMPUTER, 1067 A-B OLD HYDRO ROAD, SPRAGGE, P0R 1A0	2,376

TRAILHEAD

77	TRAILHEAD INFO CENTRE CONTENTS, 5165 HIGHWAY 17, SPRAGGE, P0R 1K0	30,240
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WATERWORKS

78	WATER TREATMENT PLANT CONTENTS AND EQUIPMENT, 1029 SHORT STREET - (PRONTO SUB-DIVISION), ALGOMA MILLS, P0R 1A0	7,776
79	WATER TREATMENT PLANT CONTENTS AND EQUIPMENT, 1566 RIVERVIEW ROAD (SERPENT RIVER), ALGOMA MILLS, P0R 1A0	7,776

WORKS

80	MISCELLANEOUS TOOLS, EQUIPMENT, MATERIALS AND SUPPLIES, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	94,176
81	20KW GENERATOR, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	12,960
82	TWO (2) 5KW GENERATORS (EQUAL AMOUNT ON EACH), 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	5,400

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REF:54200

21/07/2025

CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

EXHIBIT "A"

OTHER PROPERTY (Excluding Buildings)

24/09/2025

ESTIMATE OF VALUES

83	2011 JOHN DEERE 310SJ BACKHOE INCLUDING PALLET FORKS, SERIAL NO. 1T0310SJCB0194817, 1385 HIGHWAY 17, ALGOMA MILLS, P0R 1A0	46,900	SCH REP
84	LEASED 2021 JOHN DEERE 550K CRAWLER DOZER, SERIAL NO. 1T0550KKTMF390635	195,750	
TOTALS:		<u>BLANKET</u>	<u>SPECIFIED</u>
		1,095,218	89,668

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Property Additional Interest(s)

LOSS PAYEE(S):

JOHN DEERE FINANICAL & JOHN DEERE CANADA ULC
295 HUNTER ROAD
GRIMSBY, ON L3M 4H5

Certificate

Loss Payee with respect to the Leased 2021 John Deere 550K Crawler Loader, Serial No.
1T0550KKTMF390635

RCAP LEASING INC.
5575 North Service Road, Suite 300
Burlington ON L7L 6M1

Certificate

Loss payee with respect to the leased canon IRC5240 Copier under contract # 390543-
365796

ADMINISTRATION SHOULD CAREFULLY EXAMINE THIS SCHEDULE TO DETERMINE ACCURATE
INFORMATION. ANY CHANGES OR DISCREPANCIES SHOULD BE REPORTED TO US.

POLICY EFF: 24/09/2025

RISK NO: 54200

MODIFIED: 21/07/2025

QUOTE: 544235

Liability Additional Insured(s)

1. THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO AND HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF INFRASTRUCTURE AND COMMUNITIES, but only with respect to their Municipal Funding Agreement with the Named Insured for the Transfer of Federal Gas Tax Revenues.
2. HIS MAJESTY IN RIGHT OF ONTARIO, AS REPRESENTED BY THE MINISTER OF AGRICULTURE, FOOD AND RURAL AFFAIRS & ASSOCIATION OF MUNICIPALITIES OF ONTARIO With respect to the Municipal Funding Agreement (Ontario's Main Street Revitalization Initiative)
3. HIS MAJESTY THE KING IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF COMMUNITY SAFETY AND CORRECTIONAL SERVICES,
but only with respect to the Ontario Transfer Payment Agreement with the Named Insured for the Reduce Impaired Driving Everywhere (R.I.D.E) Program

EXHIBIT 'B'

AUTOMOBILE FLEET SCHEDULE

FIRE DEPT.

1	84	AMERICAN LAFRANCE RESCUE	A17890
2	95	FORD F700 FIRE TRUCK	A40735
3	92	INT. TANKER FIRE TRUCK	445451
4	05	STERLING FREIGHTLINER	UB6428

WORKS DEPT.

5	03	SUZUKI LA4 ATV	104036
6	14	LANDSCAPE TRAILER	142574
7	15	DODGE RAM 1500	612772
8	11	FREIGHTLINER	AX8936
9	21	BEAR TANDEM TRAILER	103590
10	23	CHEVROLET SILVERADO 3500	176051

ADMINISTRATION SHOULD CAREFULLY EXAMINE THIS SCHEDULE TO DETERMINE ACCURATE INFORMATION. ANY CHANGES OR DISCREPANCIES SHOULD BE REPORTED TO US.



INDICATION OF TERMS

REFERENCE NUMBER:	5872367
COMPANY NAME:	The Township of the North Shore
TOTAL PAYABLE:	CAD2,685.00
Premium breakdown:	
Cyber & Privacy:	CAD2,500.00
Policy Administration Fee:	CAD185.00
BUSINESS OPERATIONS:	Township
LEGAL ACTION:	Worldwide
TERRITORIAL SCOPE:	Worldwide
AGGREGATE DEDUCTIBLE:	CAD10,000.00 in the aggregate
REPUTATIONAL HARM PERIOD:	12 months
INDEMNITY PERIOD:	12 months
TIME FRANCHISE:	8 hours
WORDING:	Cyber Proactive Response v4.0
ENDORSEMENTS:	Regulatory Statement (CAN) Absolute Theft of Funds Exclusion Clause Schedule Of Information Notice Concerning Personal Information Code Of Consumer Rights And Responsibilities Ontario Commercial Liability Notice Service of Suit Clause Policy Aggregate Limit of Liability Clause
SUBJECTIVITIES:	This quote is subject to the following being provided by the stated deadline: <ol style="list-style-type: none">1. Satisfactory confirmation that you have downloaded & registered our incident response mobile app, details of which can be found with your policy documents. (30 days post binding)2. Signed version of the application form submitted, dated within 30 days of the required inception date. (14 days post binding)
POLICY PERIOD:	12 months
DATE OF ISSUE:	08 Aug 2025
OPTIONAL EXTENDED REPORTING PERIOD:	12 months for 100% of applicable annualized premium
ADDITIONAL NOTES:	
SECURITY:	Certain Lloyd's underwriters and other insurers
UNDERWRITER:	Josh Bilson

THIS INDICATION OF TERMS IS ONLY VALID FOR 30 DAYS FROM THE DATE OF ISSUE

PLEASE REFER TO THE FOLLOWING PAGES FOR A FULL BREAKDOWN OF LIMITS, RETENTIONS AND APPLICABLE CLAUSES



DECLARATIONS

INSURING CLAUSE 1: CYBER INCIDENT RESPONSE

SECTION A: INCIDENT RESPONSE COSTS

Limit of liability: CAD1,000,000 each and every claim

SECTION B: LEGAL AND REGULATORY COSTS

Limit of liability: CAD1,000,000 each and every claim

SECTION C: IT SECURITY AND FORENSIC COSTS

Limit of liability: CAD1,000,000 each and every claim

SECTION D: CRISIS COMMUNICATION COSTS

Limit of liability: CAD1,000,000 each and every claim

SECTION E: PRIVACY BREACH MANAGEMENT COSTS

Limit of liability: CAD1,000,000 each and every claim

SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS

Limit of liability: CAD1,000,000 each and every claim

SECTION G: POST BREACH REMEDIATION COSTS

Limit of liability: CAD50,000 each and every claim, subject to a maximum of 10% of all sums **we** have paid as a direct result of the **cyber event**

INSURING CLAUSE 2: CYBER CRIME

NO COVER GIVEN

INSURING CLAUSE 3: CYBER EXTORTION

Limit of liability: CAD1,000,000 each and every claim

INSURING CLAUSE 4: SYSTEM DAMAGE AND BUSINESS INTERRUPTION

SECTION A: SYSTEM DAMAGE AND RECTIFICATION COSTS

Limit of liability: CAD1,000,000 each and every claim

SECTION B: HARDWARE REPLACEMENT COSTS

Limit of liability: CAD1,000,000 each and every claim



SECTION C: INCOME LOSS AND EXTRA EXPENSE

Limit of liability: CAD1,000,000 each and every claim

SECTION D: EMERGENCY AND ADDITIONAL OPERATIONAL CONTINUITY COSTS

Limit of liability: CAD100,000 each and every claim

SECTION E: VOLUNTARY AND REGULATORY SHUTDOWN

Limit of liability: CAD1,000,000 each and every claim

SECTION F: DEPENDENT BUSINESS INTERRUPTION

Limit of liability: CAD1,000,000 each and every claim

SECTION G: CONSEQUENTIAL REPUTATIONAL HARM

Limit of liability: CAD1,000,000 each and every claim

SECTION H: LOST OR MISSED BIDS

Limit of liability: CAD1,000,000 each and every claim

SECTION I: CLAIM PREPARATION COSTS

Limit of liability: CAD25,000 each and every claim

INSURING CLAUSES 5 AND 7 - 9 COMBINED

Aggregate limit of liability: CAD1,000,000 in the aggregate

INSURING CLAUSE 5: NETWORK SECURITY & PRIVACY LIABILITY

SECTION A: NETWORK SECURITY LIABILITY

Aggregate limit of liability: CAD1,000,000 in the aggregate, including costs and expenses

SECTION B: PRIVACY LIABILITY

Aggregate limit of liability: CAD1,000,000 in the aggregate, including costs and expenses

SECTION C: MANAGEMENT LIABILITY

Aggregate limit of liability: CAD1,000,000 in the aggregate, including costs and expenses

SECTION D: REGULATORY FINES, PENALTIES AND INVESTIGATION COSTS

Aggregate limit of liability: CAD1,000,000 in the aggregate, including costs and expenses



SECTION E: PCI FINES, PENALTIES AND ASSESSMENTS

Aggregate limit of liability: CAD1,000,000 in the aggregate, including costs and expenses

SECTION F: CONTINGENT BODILY INJURY

Aggregate limit of liability: CAD250,000 in the aggregate, including costs and expenses

INSURING CLAUSE 6: CRIMINAL REWARD COVER

Limit of liability: CAD100,000 each and every claim

INSURING CLAUSE 7: MEDIA LIABILITY

SECTION A: DEFAMATION

Aggregate limit of liability: CAD1,000,000 in the aggregate, including costs and expenses

SECTION B: INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT

Aggregate limit of liability: CAD1,000,000 in the aggregate, including costs and expenses

INSURING CLAUSE 8: TECHNOLOGY ERRORS AND OMISSIONS

NO COVER GIVEN

INSURING CLAUSE 9: COURT ATTENDANCE COSTS

Aggregate limit of liability: CAD100,000 in the aggregate



OUR REGULATORY STATUS

CFC Underwriting Limited is authorised and regulated by the United Kingdom Financial Conduct Authority (FCA). CFC Underwriting Limited's Firm Registration Number at the FCA is 312848. These details may be checked by visiting the Financial Conduct Authority website at www.fca.org.uk/register/. Alternatively the Financial Conduct Authority may be contacted on +44 (0)800 111 6768.

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations to you in respect of insurance policies that we have underwritten on behalf of insurers. This depends on the type of business and the circumstances of the claim. In respect of general insurance business the FSCS will cover 90% of the claim, without any upper limit and for compulsory classes of insurance, the FSCS will cover 100% of the claim, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.

HOW TO COMPLAIN

We intend to provide an excellent service to you. However, we recognise that there may be occasions when you feel that this has not been achieved. If you are unhappy with any aspect of the service that you receive from us, please contact your insurance broker in the first instance, stating the nature of your complaint, the certificate and/or claim number.

Alternatively, you can contact us directly at complaints@cfc.com or please write to:

Chief Executive Officer
CFC Underwriting Limited
11th Floor, 8 Bishopsgate
London EC2N 4BQ
United Kingdom

We will aim to acknowledge your complaint within 2 business days following receipt and will aim to respond to your complaint within 20 business days.

If after taking this action you are still unhappy with the response it may be possible in certain circumstances for you to refer the matter to Lloyd's Canada Inc. The contact details are as follows:

Complaints Officer,
Royal Bank Plaza South Tower
200 Bay Street
Suite 2930
PO Box 51
Toronto
Ontario M5J 2 J2.
Tel: 1-877-455-6937
Email: info@lloyds.ca

If you remain dissatisfied after Lloyd's Canada Inc. has considered your complaint, you may have the right to refer your complaint to the following organisations:

General Insurance OmbudService (GIO) – assists in the resolution of conflicts between insurance customers and their insurance companies. The GIO can be reached at:

Toll free number: 1-877-225-0446

Website: <https://giocanada.org/>



If you have a complaint specifically about Lloyd's Underwriters' complaints handling procedures you may contact the FCAC.

Financial Consumer Agency of Canada (FCAC) – provides consumers with accurate and objective information about financial products and services, and informs Canadians of their rights and responsibilities when dealing with financial institutions. FCAC also ensures compliance with the federal consumer protection laws that apply to banks and federally incorporated trust, loan and insurance companies. The FCAC does not get involved in individual disputes. The FCAC can be reached at:

427 Laurier Avenue West, 6th Floor,
Ottawa
ON K1R 1B9
Tel: 1-866-461-3222 (Services in English)
Tel: 1-866-461-2232 (Services in French)
Website: www.fcac-acfc.gc.ca

For clients based in Quebec only:

Autorité des marchés financiers (AMF)- The regulation of insurance companies in Quebec is administered by the AMF. If you remain dissatisfied with the manner in which your complaint has been handled, or with the results of the complaints protocol, you may send your complaint to the AMF who will study your file and who may recommend mediation, if it deems this action is appropriate and if both parties agree to it. The AMF can be reached at:

Toll free: 1-877-525-0337
Québec: (418) 525-0337
Montréal: (514) 395-0311
Website: www.lautorite.qc.ca

The existence of this complaints procedure does not affect your right to commence a legal action or an alternative dispute resolution proceeding in accordance with your contractual rights.

DATA PROTECTION NOTICE

We collect and use relevant information about you to provide you with your insurance cover or the insurance cover that benefits you and to meet our legal obligations. Where you provide us or your agent or broker with details about other people, you must provide this notice to them.

The information we collect and use includes details such as your name, address and contact details and any other information that we collect about you in connection with the insurance cover from which you benefit. This information may include more sensitive details such as information about your health and any criminal convictions you may have.

In certain circumstances, we may need your consent to process certain categories of information about you (including sensitive details such as information about your health and any criminal convictions you may have). Where we need your consent, we will ask you for it separately. You do not have to give your consent and you may withdraw your consent at any time. However, if you do not give your consent, or you withdraw your consent, this may affect our ability to provide the insurance cover from which you benefit and may prevent us from providing cover for you or handling your claims.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance cover that we provide and to the extent required or permitted by law.

We will process individual insured's details, as well as any other personal information you provide to us in respect of your insurance cover, in accordance with our privacy notice and applicable data protection laws.



To enable us to use individual insured's details in accordance with applicable data protection laws, we need you to provide those individuals with certain information about how we will use their details in connection with your insurance cover.

You agree to provide to each individual insured this notice, on or before the date that the individual becomes an individual insured under your insurance cover or, if earlier, the date that you first provide information about the individual to us.

We are committed to using only the personal information we need to provide you with your insurance cover. To help us achieve this, you should only provide to us information about individual insureds that we ask for from time to time.

You have rights in relation to the information we hold about you, including the right to access your information. If you wish to exercise your rights, discuss how we use your information or request a copy of our full privacy notice, please contact us directly at dataprotection@cfc.com.

For more information about how we use your personal information please see our full privacy notice, which is available online on our website at:

<http://www.cfc.com/privacy>



OTHER COSTS, FEES AND CHARGES

A Policy Administration Fee may be charged by CFC Underwriting Limited for administration costs incurred by it for its role in the distribution of this policy. Any applicable Policy Administration Fee:

- a. is separate from and in addition to the premium stated in the Declarations page;
- b. is not subject to any tax that would otherwise be applied to the premium; and
- c. constitutes a separate agreement between the Insured stated in the Declarations page and CFC Underwriting Limited which will come into effect upon inception of the policy.

If a Policy Administration Fee is applicable then it will be deemed fully earned upon inception of this policy and it will not be refundable in the event this policy is cancelled in accordance with the terms and conditions of this policy.



ABSOLUTE THEFT OF FUNDS EXCLUSION CLAUSE

ATTACHING TO POLICY NUMBER: N/A
THE INSURED: The Township of the North Shore
WITH EFFECT FROM: -

It is understood and agreed that the "Theft of funds held in escrow" **EXCLUSION** is deleted in its entirety and replaced with the following:

Theft of funds

for theft of money or financial assets in any format, including but not limited to cash, bank notes, electronic currency, customer account balances, and stock or bond certificates.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



SCHEDULE OF INFORMATION

ATTACHING TO POLICY NUMBER:
THE INSURED:
WITH EFFECT FROM:

N/A
The Township of the North Shore
-

The information stated below has been provided to **us** as part of **your** application for this Policy. It is important that this information is correct as **we** may seek to avoid this Policy or reject a claim in the event of any reckless or deliberate non-disclosure or misrepresentation.

If any of the information below is incorrect, please contact **us** as soon as is reasonably practicable.

1. Company web address: townshipofthenorthshore.ca
2. Number of employees: 13
3. Annual revenue: CAD2,085,378
4. **You** have not experienced a **cyber event** in the past three years that has resulted in a direct financial loss of more than CAD10,000
5. **You** have not had any legal action brought or threatened against **you** in the last five years as a direct result of a **cyber event**
6. **You** have not had any regulatory action initiated against **you** in the last five years as a direct result of a **cyber event**
7. **You** are not involved in the direct supply of goods or services to the cannabis industry, nor are **you** involved directly with the use or supply of cryptocurrency

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



NOTICE CONCERNING PERSONAL INFORMATION

By purchasing insurance from certain Underwriters at Lloyd's, London ("Lloyd's"), a customer provides Lloyd's with his or her agreement to the collection, use and disclosure of personal information, including that previously collected, for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the detection and prevention of fraud
- the analysis of business results
- purposes required or authorized by law

For the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organizations or companies, their agents/mandataires, and to certain non-related or unaffiliated organizations or companies, including service providers. These entities may be located outside Canada therefore a customer's information may be processed in a foreign jurisdiction (the United Kingdom and the European Union) and their information may be accessible to law enforcement and national security authorities of that jurisdiction.

To obtain written information about Lloyd's policies and practices in respect of service providers located outside Canada, please contact the Ombudsman at info@lloyds.ca who will also answer customer's questions about the collection, use, disclosure or storage of their personal information by such Lloyd's service providers.

Further information about Lloyd's personal information protection policy may be obtained from the customer's broker or by contacting Lloyd's on: 514 861 8361, 1 877 455 6937, or through info@lloyds.ca.



CODE OF CONSUMER RIGHTS AND RESPONSIBILITIES

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

RIGHT TO BE INFORMED

You can expect to access clear information about your policy, your coverage, and the claims settlement process. You have the right to an easy-to-understand explanation of how insurance works and how it will meet your needs. You also have a right to know how insurers calculate price based on relevant facts. Under normal circumstances, insurers will advise an insurance customer or the customer's intermediary of changes to, or the cancellation of a policy within a reasonable prescribed period prior to the expiration of the policy, if the customer provides information required for determining renewal terms of the policy within the time prescribed, which could vary by province, but is usually 45 days prior to expiry of the policy.

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

You have a right to be told about insurers' compensation arrangements with their distribution networks. You have a right to ask the broker or agent with whom you deal for details of how and by whom it is being paid. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

RESPONSIBILITY TO ASK QUESTIONS AND SHARE INFORMATION

To safeguard your right to purchase appropriate coverage at a competitive price, you should ask questions about your policy so that you understand what it covers and what your obligations are under it. You can access information through one-on-one meetings with your broker or agent. You have the option to shop the marketplace for the combination of coverages and service levels that best suits your insurance needs. To maintain your protection against loss, you must promptly inform your broker or agent of any change in your circumstances.

RIGHT TO COMPLAINT RESOLUTION

Insurers, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access Lloyd's Underwriters' complaint resolution process for Canada. Your agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Consumers may also contact their respective provincial insurance regulator for information. Lloyd's is a member of an independent complaint resolution office, the General Insurance OmbudService.

RESPONSIBILITY TO RESOLVE DISPUTES

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

RIGHT TO PROFESSIONAL SERVICE

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

RIGHT TO PRIVACY

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



ONTARIO COMMERCIAL LIABILITY NOTICE

Notice to Insureds:

Pursuant to the

Freedom Of Information and Protection Of Privacy Act,

R.S.O. 1990, c.F.31 (as amended)

IMPORTANT

The notice below applies to insurance contracts containing non automobile legal liability coverages in provinces where statistical data relating to such contracts must be reported to the Superintendent of Insurance.

LEGAL AUTHORITY FOR COLLECTION

Insurance Act, R.S.O. 1990, c.I.8, section 101(1).

Principal purpose for which personal information is intended to be used Information collected by insurers from insureds or supplied to insurers pertaining to the attached document will be used:

- to compile aggregate statistical data to be used in monitoring trends in the insurance industry;
- to develop statistical exhibits to be used in monitoring the insurance industry;
- to respond to requests for customized statistical information on the insurance industry;
- to respond to inquiries on statistical information made to Office of the Superintendent of Insurance; and
- to use and disclose such information for purposes which are consistent with the previous clauses.

The Public Official who can answer questions about the collection is:

Manager, Statistical Services

Financial Services Regulatory Authority of Ontario

5160 Yonge Street, 17th Floor

Box 85

North York, Ontario M2N 6L9

Telephone: (416) 250-7250

Fax: (416) 590-7070

FOI (11/1999)



SERVICE OF SUIT CLAUSE

ATTACHING TO POLICY NUMBER: N/A
THE INSURED: The Township of the North Shore
WITH EFFECT FROM: -

In any action to enforce the obligations of the underwriting members of the Lloyd's syndicates and other subscribing insurers, they can be designated or named, in respect of the Lloyd's syndicates, as "Lloyd's Underwriters" and such designation will be binding on the members as if they had each been individually named as defendant. Service of such proceedings against Lloyd's syndicates may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters whose address for such service is 200 Bay Street, Suite 2930, P.O. Box 51, Toronto, Ontario, M5J 2J2, and service of such proceedings against other subscribing insurers may validly be made upon Norton Rose Fulbright Canada LLP whose address for such service is One Place Ville Marie, Suite 2500, Montréal, Quebec, H3B 1R1.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



POLICY AGGREGATE LIMIT OF LIABILITY CLAUSE

ATTACHING TO POLICY NUMBER: N/A
THE INSURED: The Township of the North Shore
WITH EFFECT FROM: -

It is understood and agreed that the following is added to the Declarations page:

AGGREGATE LIMIT OF LIABILITY FOR ALL INSURING CLAUSES COMBINED

Aggregate limit of liability: CAD1,000,000 in the aggregate, including **costs and expenses**

It is further understood and agreed that the following amendments are made to the Policy:

1. The **HOW MUCH WE WILL PAY** section is deleted in its entirety and replaced with the following:

YOUR MAXIMUM LIMITS UNDER THIS POLICY

The maximum amount payable by **us** under this Policy for any one claim or series of related claims is the **policy limit**.

The maximum amount payable by **us** under any Insuring Clause for any one claim or series of related claims is the amount shown as the limit in the Declarations page for that Insuring Clause.

The maximum amount payable by **us** under any Section for any one claim or series of related claims is the amount shown as the limit in the Declarations page for that Section.

YOUR MAXIMUM LIMIT FOR RELATED INCIDENTS

Where more than one claim arises from the same original cause or single source or event, all of those claims will be deemed to be one claim and only one **policy limit** will apply in respect of that claim.

PAYMENT FOR PHYSICAL GOODS

If **we** make any payment under **INSURING CLAUSE 2 (SECTION D only)**, **we** will do so on a cost price basis. This means that any payment **we** make will be based on the original purchase price or cost of production of **your** tangible property and will not include **your** loss of profit.

PAYMENT FOR LOSS INCURRED BEFORE TIME FRANCHISE ELAPSED

In respect of **INSURING CLAUSE 4 (SECTIONS C, D, E and F only)**, where **you** are entitled to cover for any **income loss** or **extra expense**, any **income loss** or **extra expense** incurred before the **time franchise** elapsed will also be covered.

YOUR LIABILITY COVERAGES

In respect of **INSURING CLAUSES 5, 7, 8 and 9**, **we** may at any time pay to **you** in connection with any **claim** the amount of the **policy limit** (after deduction of any amounts already paid). Upon that payment being made **we** will relinquish the conduct and control of the **claim** and be under no further liability in connection with that **claim** except for the payment of **costs and expenses** incurred prior to the date of such payment (unless the **policy limit** is stated to be inclusive of **costs and expenses**).



If **costs and expenses** are stated in the Declarations page to be in addition to the **policy limit**, or if the operation of local laws require **costs and expenses** to be paid in addition to the **policy limit**, and if a damages payment in excess of the **policy limit** has to be made to dispose of any **claim**, our liability for **costs and expenses** will be in the same proportion as the **policy limit** bears to the total amount of the damages payment.

2. The **DEFINITION** of "**Incident response limit**" is deleted in its entirety.
3. The third paragraph of the "Agreement to pay claims (duty to defend)" **CONDITION** is deleted in its entirety and replaced with the following:

We will endeavor to settle any **claim** through negotiation, mediation or some other form of alternative dispute resolution and will pay on **your** behalf the amount **we** agree with the claimant. If **we** cannot settle using these means, **we** will pay the amount which **you** are found liable to pay either in court or through arbitration proceedings, subject always to the **policy limit**.

4. The third paragraph of the "Optional extended reporting period" **CONDITION** is deleted in its entirety and replaced with the following:

The right to the optional extended reporting period will not be available to **you** where cancellation or non-renewal by **us** is due to non-payment of the **premium** or **your** failure to pay any amounts in excess of the applicable **policy limit** or within the amount of the applicable **deductible** as is required by this Policy in the payment of claims.

5. Part a. of the "Continuous cover" **CONDITION** is deleted in its entirety and replaced with the following:
 - a. the indemnity will be subject to the applicable limit of liability of the earlier Policy under which the matter should have been reported or the **policy limit**, whichever is the lower;

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



Cyber

Proactive response

Policy document

Canada

PREAMBLE

As an added benefit to this Policy, proactive cyber attack prevention services are provided to **you**. These services are designed to help identify potential vulnerabilities and threats targeting **you** and aim to assist in reducing the likelihood of cyber incidents.

IMPORTANT: COVERAGE TRIGGERS. It is important for **you** to review this Policy carefully as the trigger for coverage, including when **you** must notify us of a claim, under each Section and Insuring Clause may differ.

This Policy is a contract of insurance between **you** and us. Your Policy contains all the details of the cover that we provide. This Policy consists of and must be read together with the Declarations page and any Endorsements. This Policy is not complete unless it is signed and a Declarations page is attached.

The sections of this Policy are identified by the orange lines across the page with white upper case print, these are for information purposes only and do not form part of the cover given by this Policy. Terms in bold upper case print are references to specific Insuring Clauses, Sections or Conditions. Other terms in bold lower case print are defined terms and have a special meaning as set forth in the Definitions section and elsewhere. Words stated in the singular will include the plural and vice versa. However, this protocol does not apply to the Statutory Conditions and subsequent Sections.

In consideration of the premium and in reliance upon the information that **you** have provided to us prior to the commencement of this insurance, we agree to provide the cover as set out below:

INSURING CLAUSES

INSURING CLAUSE 1: CYBER INCIDENT RESPONSE

SECTION A: INCIDENT RESPONSE COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. gain access to **our 24/7 cyber incident response line**;
- b. engage with **our claims manager** who will coordinate the initial response;
- c. obtain initial advice and consultancy from **our claims manager**, including threat intelligence in relation to the **cyber event**; and
- d. obtain initial remote support and assistance from **our claims manager** to respond to the **cyber event**.

SECTION B: LEGAL AND REGULATORY COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. obtain legal advice to determine the correct course of action;
- b. draft **privacy breach** notification letters, substitute notices, website notices or e-mail notification templates;

- c. notify any appropriate governmental, regulatory, law enforcement, professional or statutory body;
- d. respond to any **regulatory investigation**; and
- e. defend any regulatory action.

SECTION C: IT SECURITY AND FORENSIC COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. engage with an external IT security consultant to identify the source and scope of the **cyber event**;
- b. obtain initial advice to remediate the impact of the **cyber event**;
- c. conduct a forensic investigation of **your computer systems** where reasonable and necessary or as required by law or a regulatory body (including a requirement for a PCI Forensic Investigator);
- d. contain and remove any malware discovered on **your computer systems**; and
- e. engage with an IT security consultant to provide expert witness testimony at any trial or hearing arising from the **cyber event**.

SECTION D: CRISIS COMMUNICATION COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. engage with a crisis communications consultant to obtain specific advice in direct relation to the **cyber event**;
- b. coordinate media relations in response to the **cyber event**;
- c. receive training for relevant spokespeople with respect to media communications in direct relation to the **cyber event**; and
- d. formulate a crisis communications plan in order to reduce damage to **your** brand and reputation as a direct result of the **cyber event**.

SECTION E: PRIVACY BREACH MANAGEMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered during the **period of the policy** to:

- a. print and post appropriate notices for any individual affected by the actual or suspected **cyber event** or to send e-mail notices or issue substitute notices, including any **privacy breach** notification that **you** are not legally obliged to make;
- b. provide credit monitoring services, identity monitoring services, identity restoration services or identity theft insurance to affected individuals;
- c. set up a call centre to manage inbound and outbound calls in direct relation to the **cyber event**; and
- d. provide translation services to manage communications with affected individuals.

SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS

We agree to pay on behalf of any **third party** any reasonable sums necessarily incurred as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. print and post appropriate notices for any individual affected by the actual or suspected **cyber event** or to send e-mail notices or issue substitute notices;

- b. provide credit monitoring services, identity monitoring services, identity restoration services or identity theft insurance to affected individuals;
- c. set up a call centre to manage inbound and outbound calls in direct relation to the **cyber event**; and
- d. provide translation services to manage communications with affected individuals;

provided that **you** are contractually required to indemnify the **third party** against this **cyber event** and they have a legal obligation to notify affected individuals.

SECTION G: POST BREACH REMEDIATION COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, with **our claims manager** following a **cyber event** covered under **INSURING CLAUSE 1** for the following services in order to mitigate the potential of a future **cyber event**:

- a. complete an information security risk assessment;
- b. conduct an information security gap analysis;
- c. develop an information security document set; and
- d. deliver an information security awareness training session.

INSURING CLAUSE 2: CYBER CRIME

SECTION A: FUNDS TRANSFER FRAUD

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of any **third party** committing:

- a. any unauthorized electronic transfer of **company** funds from a bank;
- b. theft of the **company's** money or other financial assets from a bank by electronic means;
- c. theft of money or other financial assets from **your** corporate credit cards by electronic means; or
- d. any phishing, vishing or other social engineering attack against any **employee** or **senior executive officer** that results in the transfer of **company** funds to an unintended **third party**.

SECTION B: INVOICE MANIPULATION

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy**, as a direct result of theft committed by a **third party** of a **client's** money or other financial assets, that the **client** intended to send to **you** for the provision of goods and services, but which **you** did not receive as a result of fraudulent electronic communications designed to impersonate a **senior executive officer** or **employee**, including the creation of fraudulent invoices or change of banking details.

SECTION C: NEW VENDOR FRAUD

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of a fraudulent **third party** posing as a legitimate vendor of goods or services with whom **you** are transacting for the first time, resulting in **you** paying for goods or services that **you** did not receive.

SECTION D: PHYSICAL GOODS FRAUD

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of a **third party** committing any phishing, vishing or other social engineering attack against an **employee** or **senior executive officer** that results in **you** sending the **company's** tangible property or goods to an unintended **third party**.

However, **we** will not make any payment under this Section for **loss** as a result of a legitimate customer not paying or refusing to pay for tangible property or goods that **you** have sent to them.

SECTION E: THEFT OF PERSONAL FUNDS

We agree to reimburse any **senior executive officer** for personal financial loss first discovered by them during the **period of the policy** as a direct result of any **third party** compromising the **company's** network security, which results in:

- a. theft of money or other financial assets from a personal bank account of the **senior executive officer**; or
- b. identity theft of the **senior executive officer** as a result of a **privacy breach** suffered by **you**.

However, **we** will not make any payment under this Section for any cryptoasset, including cryptocurrency, utility tokens, securities token or ecosystem tokens, belonging to the **senior executive officer**.

SECTION F: CORPORATE IDENTITY THEFT

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of the fraudulent use or misuse of **your** electronic identity, including the:

- a. establishment of credit or loans in **your** name;
- b. unauthorized electronic signing of any contract or agreement in **your** name;
- c. costs associated with the removal of websites designed to impersonate **you**; or
- d. the reliance by a **third party** on a fraudulent version of **your** digital identity to execute transactions of **your** funds or other financial assets.

SECTION G: THEFT OF FUNDS HELD IN ESCROW

We agree to reimburse **you** for **loss** (including compensation that the **company** is legally obliged to pay) first discovered by **you** during the **period of the policy** as a direct result of **you** having to reimburse a **client** for theft of the **client's** money or other financial assets from a bank account held in **your** name, provided that the theft was committed by a **third party** by electronic means, including any phishing, vishing or other social engineering attack against **you**.

SECTION H: THEFT OF CLIENT FUNDS

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of **you** having to reimburse a **client** for theft of the **client's** money or other financial assets from a **client's** bank account that **you** had access to, provided that the theft was as a result of a social engineering attack committed against **you** by a **third party**.

SECTION I: CUSTOMER PAYMENT FRAUD

We agree to reimburse **you** in the event of fraudulent electronic communications or websites designed to impersonate **you** or any of **your** products, first discovered by **you** during the **period of the policy**, for **loss** directly attributable to:

- a. reimbursing **your** customers for their financial loss arising directly from the fraudulent communications, including fraudulent invoices manipulated to impersonate **you**, where goods or services have not been provided to the customers by **you** or on **your** behalf; and
- b. the cost of creating and issuing a specific press release or establishing a specific website to advise **your** customers and prospective customers of the fraudulent communications.

SECTION J: TELEPHONE HACKING

We agree to reimburse **you** for **loss** associated with the cost of unauthorized calls or unauthorized use of **your** bandwidth first discovered by **you** during the **period of the policy** as a direct result of **your** telephone system being hacked by a **third party**.

SECTION K: UNAUTHORIZED USE OF COMPUTER RESOURCES

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of **cryptojacking** or **botnetting**.

INSURING CLAUSE 3: CYBER EXTORTION

We agree to pay on behalf of the **company** any ransom in response to an extortion demand made against **you** and first discovered by **you** during the **period of the policy** as a direct result of any actual or threat of:

- a. introduction of malware, including ransomware, into **your computer systems**;
- b. prevention of access to **your computer systems** or any **third party** systems hosting **your** applications or data;
- c. disclosure of **your** confidential information or confidential information entrusted to **you**; or
- d. damage to **your** brand or reputation by posting false or misleading information about **you** on social media sites.

We will also pay on behalf of the **company** the reasonable and necessary costs incurred to respond to the extortion demand (including costs incurred to procure cryptocurrency for the purposes of paying the ransom or in negotiating with the individual or organization making the extortion demand against **you**).

INSURING CLAUSE 4: SYSTEM DAMAGE AND BUSINESS INTERRUPTION

SECTION A: SYSTEM DAMAGE AND RECTIFICATION COSTS

We agree to reimburse **you** for the additional cost of employing:

- a. contract staff or overtime costs for **employees** to rebuild **your** data, including the cost of data re-entry or data re-creation;
- b. specialist consultants, including IT forensic consultants, to recover **your** data or applications; and
- c. specialist consultants or overtime costs for **employees** working within **your** IT department to reconstitute **your computer systems** to the position they were in immediately prior to the **cyber event**;

as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**.

SECTION B: HARDWARE REPLACEMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred to replace any computer hardware or tangible equipment forming part of **your computer systems** that have been rendered unusable as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**, provided that replacing the computer hardware or tangible equipment is a more cost effective solution than installing new firmware or software onto **your** existing hardware.

For the purposes of this Section, **we** will also pay the reasonable costs necessarily incurred to purchase and install temporary computer hardware or tangible equipment that are necessary in the interim for the sole purpose of facilitating the recovery of **your** data or systems during the remediation phase of the **cyber event**.

SECTION C: INCOME LOSS AND EXTRA EXPENSE

We agree to reimburse **you** for **your income loss** and **extra expense** sustained during the **indemnity period** as a direct result of an interruption to **your business operations** caused by **computer systems** downtime arising directly out of a **cyber event, system failure** or **operator error**, which is first discovered by **you** during the **period of the policy**, provided that the **computer systems** downtime lasts longer than the **time franchise**.

SECTION D: EMERGENCY AND ADDITIONAL OPERATIONAL CONTINUITY COSTS

We agree to reimburse **you** for any reasonable sums necessarily incurred during the **indemnity period** that are in addition to **your** normal operating expenses and the **extra expense** recoverable under **INSURING CLAUSE 4 (SECTION C only)**:

- a. to source **your** products or services from alternative sources in order to meet contractual obligations to supply **your** customers;
- b. to employ contract staff or overtime costs for **employees** in order to continue **your business operations**;
- c. to employ specialist consultants, including IT forensic consultants to diagnose the source of the **computer systems** downtime; and
- d. for **employees** working overtime within **your** IT department to diagnose and fix the source of the **computer systems** downtime;

to mitigate an interruption to **your business operations** caused by **computer systems** downtime arising directly out of a **cyber event, system failure** or **operator error** which is first discovered by **you** during the **period of the policy**, provided that the **computer systems** downtime lasts longer than the **time franchise**.

For the avoidance of doubt, these additional costs need not be less than **your** expected **income loss** had these measures not been taken.

SECTION E: VOLUNTARY AND REGULATORY SHUTDOWN

We agree to reimburse **you** for **your income loss** and **extra expense** sustained during the **indemnity period** as a result of an interruption to **your business operations** where:

- a. it is reasonable and necessary to deliberately take **your computer systems** offline in order to manage a **cyber event** and to mitigate a wider loss, provided that the **cyber event** was first discovered by **you** during the **period of the policy**; or

- b. a governmental entity or regulatory body with jurisdiction over **you** expressly requires **you** to take **your computer systems** offline during the **period of the policy** in response to a **cyber event**;

provided that the length of time that **your computer systems** are offline exceeds the **time franchise**.

SECTION F: DEPENDENT BUSINESS INTERRUPTION

We agree to reimburse **you** for **your income loss** and **extra expense** sustained during the **indemnity period** as a direct result of an interruption to **your business operations** arising directly out of any sudden, unexpected and continuous outage of computer systems used directly by a **supply chain partner** which is first discovered by **you** during the **period of the policy**, provided that the computer systems downtime lasts longer than the **time franchise** and arises directly out of a **cyber event**, **system failure** or **operator error**.

SECTION G: CONSEQUENTIAL REPUTATIONAL HARM

We agree to reimburse **you** for **your income loss** sustained during the **reputational harm period** as a direct result of the loss of current or future customers, caused by damage to **your** reputation as a result of a **cyber event** first discovered by **you** during the **period of the policy**.

SECTION H: LOST OR MISSED BIDS

We agree to reimburse **you** for **your income loss** sustained during the **reputational harm period** as a result of **your** failure to make or win a bid or request for proposal (RFP) for a contract arising directly from a **cyber event** first discovered by **you** during the **period of the policy**.

SECTION I: CLAIM PREPARATION COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred to determine the amount of **your income loss** sustained following an interruption to **your business operations** covered under **INSURING CLAUSE 4**. We will only pay these costs where they are incurred with an expert appointed by the **claims manager**.

INSURING CLAUSE 5: NETWORK SECURITY & PRIVACY LIABILITY

SECTION A: NETWORK SECURITY LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including the establishment of any consumer redress fund and associated expenses) as a result of any **claim** arising out of a **cyber event** first discovered by **you** during the **period of the policy** that results in:

- a. the transmission of malware to a **third party's** computer system;
- b. **your computer systems** being used to carry out a denial of service attack;
- c. **your** failure to prevent unauthorized access to information stored or applications hosted on **your computer systems** or a **third party's** computer systems; or
- d. identity theft, experienced by **your employees**, **senior executive officers** or any **third party**.

We will also pay **costs and expenses** on **your** behalf.

SECTION B: PRIVACY LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including the establishment of any consumer redress fund and associated expenses) as a result of any **claim** arising out of a **cyber event** first discovered by **you** during the **period of the policy** that results in:

- a. an actual or suspected disclosure of or unauthorized access to any Personally Identifiable Information (PII), including payment card information or Protected Health Information (PHI);
- b. **your** failure to adequately warn affected individuals of a **privacy breach**, including the failure to provide a data breach notification in a timely manner;
- c. a breach of any rights of confidentiality as a direct result of **your** failure to maintain the confidentiality of any data pertaining to an **employee** or **senior executive officer**;
- d. a breach of any rights of confidentiality, including a breach of any provisions of a non-disclosure agreement or breach of a contractual warranty relating to the confidentiality of commercial information, PII, or PHI;
- e. a breach of any part of **your** privacy policy; or
- f. actual or suspected disclosure of or unauthorized access to **your** data or data for which **you** are responsible.

We will also pay **costs and expenses** on **your** behalf.

SECTION C: MANAGEMENT LIABILITY

We agree to pay on behalf of any board member, C-level executive, in-house lawyer and risk manager of the **company** (including **your** Chief Information Security Officer, Chief Information Officer, Chief Technology Officer or their functional equivalents), all sums they become legally obliged to pay as a result of any **claim** made against them arising directly out of a **cyber event** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on their behalf.

However, **we** will not make any payment under this Section for which the board member, C-level executive, in-house lawyer or risk manager is entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance.

SECTION D: REGULATORY FINES, PENALTIES AND INVESTIGATION COSTS

We agree to pay on **your** behalf any fines and penalties resulting from a **regulatory investigation** arising as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

SECTION E: PCI FINES, PENALTIES AND ASSESSMENTS

We agree to pay on **your** behalf any fines, penalties and card brand assessments including fraud recoveries, operational reimbursements, non-cooperation costs and case management fees, which **you** become legally obliged to pay to **your** acquiring bank or payment processor as a direct result of a **payment card breach** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

SECTION F: CONTINGENT BODILY INJURY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimant's costs and expenses) as a result of any **claim** arising out of **bodily injury** caused as a direct result of a **cyber event** affecting **your computer systems** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

However, **we** will not make any payment under this Section for which **you** are entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance.

INSURING CLAUSE 6: CRIMINAL REWARD COVER

We agree to reimburse **you** for any reasonable sums necessarily incurred with **our** prior written agreement to pay any person or organization, other than:

- a. any external or internal auditor of the **company**; or
- b. any individual or organization who manages or supervises the individuals stated in a. above;

for information not otherwise available which directly results in the arrest and conviction of any person or organization who is committing or has committed any illegal act directly relating to a claim covered under **INSURING CLAUSES 1, 2, 3, 4 or 5**.

INSURING CLAUSE 7: MEDIA LIABILITY

SECTION A: DEFAMATION

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against **you** during the **period of the policy** or any applicable optional extended reporting period for any:

- a. defamation, including but not limited to libel, slander, trade libel, product disparagement and injurious falsehood; or
- b. emotional distress or outrage based on harm to the character or reputation of any person or entity;

arising out of any **media content** (including any **media content** that has been created, in whole or in part, by artificial intelligence programmes or where such programmes have been used to assist in the creation of **media content**).

We will also pay **costs and expenses** on **your** behalf.

SECTION B: INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against **you** during the **period of the policy** or any applicable optional extended reporting period for any:

- a. infringement of any intellectual property rights, including, but not limited to, copyright, trademark, trade dilution, trade dress, commercial rights, design rights, domain name rights, image rights, moral rights, service mark or service name, but not including patent;
- b. act of passing-off, piracy or plagiarism or any misappropriation of content, concepts, format rights or ideas or breach of a contractual warranty relating to intellectual property rights;
- c. breach of any intellectual property rights license acquired by **you**; or
- d. failure to attribute authorship or provide credit;

arising out of any **media content** (including any **media content** that has been created, in whole or in part, by artificial intelligence programmes or where such programmes have been used to assist in the creation of **media content**).

We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 8: TECHNOLOGY ERRORS AND OMISSIONS

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against **you** during the **period of the policy** or any applicable optional extended reporting period arising out of any act, error, omission or breach of contract in the provision of **your technology services**.

We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 9: COURT ATTENDANCE COSTS

We agree to reimburse **you** for any reasonable sums necessarily incurred by **you** with **our** prior written agreement (which will not be unreasonably withheld) to attend court or any tribunal, arbitration, adjudication, mediation or other hearing in connection with any claim for which **you** are entitled to indemnity under this Policy.

HOW MUCH WE WILL PAY

YOUR MAXIMUM LIMITS UNDER THIS POLICY

The maximum amount payable by **us** under this Policy for any one claim or series of related claims is the **policy limit** plus the **incident response limit**.

The maximum amount payable by **us** under any Insuring Clause for any one claim or series of related claims is the amount shown as the limit in the Declarations page for that Insuring Clause.

The maximum amount payable by **us** under any Section for any one claim or series of related claims is the amount shown as the limit in the Declarations page for that Section.

HOW YOUR LIMITS OPERATE

In respect of **INSURING CLAUSES 1, 2, 3, 4 and 6**, the **policy limit** and the **incident response limit** are provided on an each and every claim basis. This means that the **policy limit** and the **incident response limit** are not subject to an aggregate limit and the full **policy limit** and **incident response limit** will be available to **you** for any unrelated claims for which **you** are entitled to cover under this Policy.

For example, if **you** have a **policy limit** of \$1,000,000 and a claim erodes \$800,000 of that **policy limit**, should **you** notify a subsequent unrelated and covered claim under this Policy, the full \$1,000,000 **policy limit** will be available to **you** for the subsequent claim. The **incident response limit** operates in the same manner.

In respect of **INSURING CLAUSES 5, 7, 8 and 9**, the maximum amount payable under this Policy in total aggregate will be the **policy limit**.

YOUR MAXIMUM LIMIT FOR RELATED INCIDENTS

Where more than one claim arises from the same original cause or single source or event, all of those claims will be deemed to be one claim and only one **policy limit** and one **incident response limit** will apply in respect of that claim.

PAYMENT FOR PHYSICAL GOODS

If **we** make any payment under **INSURING CLAUSE 2 (SECTION D only)**, **we** will do so on a cost price basis. This means that any payment **we** make will be based on the original purchase price or cost of production of **your** tangible property and will not include **your** loss of profit.

PAYMENT FOR LOSS INCURRED BEFORE TIME FRANCHISE ELAPSED

In respect of **INSURING CLAUSE 4 (SECTIONS C, D, E and F only)**, where **you** are entitled to cover for any **income loss** or **extra expense**, any **income loss** or **extra expense** incurred before the **time franchise** elapsed will also be covered.

YOUR LIABILITY COVERAGES

In respect of **INSURING CLAUSES 5, 7, 8 and 9**, **we** may at any time pay to **you** in connection with any **claim** the amount of the **policy limit** (after deduction of any amounts already paid). Upon that payment being made, **we** will relinquish the conduct and control of the **claim** and be under no further liability in connection with that **claim** except for the payment of **costs and expenses** incurred prior to the date of such payment (unless the **policy limit** is stated to be inclusive of **costs and expenses**).

If **costs and expenses** are stated in the Declarations page to be in addition to the **policy limit** plus the **incident response limit**, or if the operation of local laws requires **costs and expenses** to be paid in addition to the **policy limit** plus the **incident response limit**, and if a damages payment in excess of the **policy limit** plus the **incident response limit** has to be made to dispose of any **claim**, **our** liability for **costs and expenses** will be in the same proportion as the **policy limit** plus the **incident response limit** bears to the total amount of the damages payment.

YOUR DEDUCTIBLE

YOUR AGGREGATE DEDUCTIBLE

The **deductible** operates on a single aggregate basis and is the maximum amount **you** will be liable to pay for all claims under this Policy. This means that only one **deductible** is payable by **you**. Upon total erosion of the **deductible**, **you** will have no further liability to make any payment under this Policy. If any expenditure is incurred by **us** which falls within the amount of the **deductible**, then **you** will reimburse that amount to **us** upon **our** request.

For example, if **you** have a **deductible** of \$5,000 and make a claim where costs exceed this amount, should **you** notify a subsequent claim under this Policy, no **deductible** will apply to that claim and **you** will have no further liability to make any payment under this Policy.

NIL DEDUCTIBLE SECTIONS

You will not be liable to pay for any portion of a claim covered under **INSURING CLAUSES 1 (SECTIONS A or G only), 4 (SECTION I only) or 9**.

YOUR TIME FRANCHISE

In respect of **INSURING CLAUSE 4 (SECTIONS C, D, E and F only)**, a single **time franchise** and **indemnity period** will apply to each claim. Where the same original cause or single source or event causes more than one period of computer systems downtime these will be considered one period of computer systems downtime whose total duration is equal to the cumulative duration of each individual period of computer systems downtime.

DEFINITIONS

1. **"Approved claims panel providers"** means
the approved claims panel providers stated in the Declarations page.
2. **"Bodily injury"** means
death, bodily injury, mental injury, illness or disease.
3. **"Botnetting"** means
the unauthorized use of **your computer systems** by a **third party** for the purpose of launching a denial of service attack or hacking attack against another **third party**.
4. **"Business operations"** means
the business operations stated in the Declarations page.

5. **"Claim"** means

- a. a written demand for compensation;
- b. a written request for a retraction or a correction;
- c. a threat or initiation of a lawsuit; or
- d. a disciplinary action or **regulatory investigation**.

made against **you**.

6. **"Claims managers"** means

the claims managers stated in the Declarations page.

7. **"Client"** means

any **third party** with whom **you** have a contract in place for the supply of **your** business services or products in return for a fee, or where a fee would normally be expected to be paid.

8. **"Company"** means

the company named as the Insured in the Declarations page or any **subsidiary**.

9. **"Computer systems"** means

all electronic computers used directly by **you**, including operating systems, software, hardware and all communication and open system networks and any data or websites wherever hosted, off-line media libraries and data back-ups and mobile devices including but not limited to smartphones, iPhones, tablets or personal digital assistants.

"Computer systems" also means supervisory control and data acquisition (SCADA) systems, industrial control systems and other similar operational technology.

10. **"Continuity date"** means

the **inception date** or if **you** have maintained uninterrupted insurance of the same type with **us**, the date this insurance was first incepted with **us**.

11. **"Costs and expenses"** means

- a. **third party** legal and professional expenses (including disbursements) reasonably incurred in the defence of **claims** or circumstances which could reasonably be expected to give rise to a **claim** or in quashing or challenging the scope of any injunction, subpoena or witness summons;
- b. any post judgment interest; and
- c. the cost of appeal, attachment and similar bonds including bail and penal bonds.

Subject to all **costs and expenses** being incurred with the **claims managers'** prior written agreement (which will not be unreasonably withheld).

12. **"Cryptojacking"** means

the unauthorized use of **your computer systems** by a **third party** for the sole purpose of cryptocurrency mining activities.

13. **"Cyber event"** means
any actual or suspected unauthorized system access, electronic attack or **privacy breach**, including an attack that utilizes artificial intelligence (AI), denial of service attack, cyber terrorism, hacking attack, Trojan horse, phishing attack, man-in-the-middle attack, application-layer attack, compromised key attack, malware infection (including spyware or ransomware), computer virus or actions of a rogue **employee**.
14. **"Cyber incident response line"** means
the telephone number stated as the cyber incident response line in the Declarations page.
15. **"Cyber war"** means
any unauthorized access to or electronic attack on computer systems, carried out by or on behalf of a **state**, that directly results in another **state** becoming an **impacted state**.
16. **"Deductible"** means
the amount stated as the aggregate deductible in the Declarations page.
17. **"Employee"** means
any employee of the **company**, any volunteer working for the **company** and any individual working for the **company** as an independent contractor.

"Employee" does not mean any **senior executive officer**.
18. **"Expiry date"** means
the expiry date stated in the Declarations page.
19. **"Extra expense"** means
your reasonable sums necessarily incurred in addition to **your** normal operating expenses to mitigate an interruption to and continue **your business operations**, provided that the costs are less than **your** expected **income loss** sustained had these measures not been taken.
20. **"Impacted state"** means
any **state** that suffers a major detrimental impact on its:

a. ability to function; or
b. defence and security capabilities;

as a direct result of any unauthorized access to or electronic attack on computer systems, carried out by or on behalf of another **state**.
21. **"Inception date"** means
the inception date stated in the Declarations page.

22. **"Incident response limit"** means

the highest individual limit available where cover is applicable under **INSURING CLAUSE 1** as stated in the Declarations page.

23. **"Income loss"** means

your income that, had the **cyber event, system failure** or **operator error** which gave rise to the claim not occurred, would have been generated directly from **your business operations** (less sales tax) during the **indemnity period** or **reputational harm period**, less:

- a. actual income (less sales tax) generated directly from **your business operations** during the **indemnity period** or **reputational harm period**; and
- b. any cost savings achieved as a direct result of the reduction in income.

24. **"Indemnity period"** means

the period starting from the first occurrence of:

- a. the **computer systems** downtime; or
- b. the downtime of computer systems used directly by a **supply chain partner**;

and lasting up to the period stated as the indemnity period in the Declarations page.

25. **"Independent expert"** means

a suitably qualified lawyer or accountant with a minimum of 5 years' experience in the subject matter of the claim.

26. **"Loss"** means

any direct financial loss sustained by the **company**.

27. **"Media content"** means

any content created or disseminated by **you** or on **your** behalf, including but not limited to content disseminated through books, magazines, brochures, social media, billboards, websites, mobile applications, television and radio.

"Media content" does not include any:

- a. tangible product design;
- b. industrial design;
- c. architectural or building services;
- d. any advertisement created by **you** for a **third party**;
- e. business, company, product or trading name;
- f. product packaging or labelling; or
- g. software products.

28. **"Operator error"** means

any unintentional human error in entering or amending electronic data within **your computer systems** or in the upgrade, maintenance or configuration of those **computer systems**, where the proximate cause is not physical damage to any tangible equipment or property.

"Operator error" does not mean any error in the design or architecture of any **computer systems**.

29. **"Payment card breach"** means

an actual or suspected unauthorized disclosure of payment card data stored or processed by **you** arising out of an electronic attack, accidental disclosure or the deliberate actions of a rogue **employee**.

"Payment card breach" does not mean a situation where payment card data is deliberately shared with or sold to a **third party** with the knowledge and consent of a **senior executive officer**.

30. **"Period of the policy"** means

the period between the **inception date** and the **expiry date** or until the Policy is canceled in accordance with **CONDITION 6**

31. **"Policy limit"** means

the highest individual limit available where cover is applicable under any Insuring Clause or Section as stated in the Declarations page.

32. **"Premium"** means

the amount stated as the premium in the Declarations page and any subsequent adjustments.

33. **"Privacy breach"** means

an actual or suspected unauthorized disclosure of information (including information in electronic, paper or audio format) arising out of an electronic attack, accidental disclosure, theft or the deliberate actions of a rogue **employee** or **third party**.

"Privacy breach" does not mean a situation where information is deliberately shared with or sold to a **third party** with the knowledge and consent of a **senior executive officer**.

34. **"Regulatory investigation"** means

a formal hearing, official investigation, examination, inquiry, legal action or any other similar proceeding initiated by a governmental, regulatory, law enforcement, professional or statutory body against **you**.

35. **"Reputational harm period"** means

the period starting from when the **cyber event** is first discovered and lasting for the period stated as the reputational harm period in the Declarations page.

36. **"Senior executive officer"** means

board members, C-level executives, in-house lawyers and risk managers of the **company**.

37. **"State"** means
sovereign state.
38. **"Subsidiary"** means
any entity which the **company** has majority ownership of, meaning more than 50% ownership, on or before the **inception date**.
39. **"Supply chain partner"** means
any:

a. **third party** that provides **you** with hosted computing services including infrastructure, platform, file storage and application level services; or
b. **third party** listed as a supply chain partner in an endorsement attaching to this policy which **we** have issued.
40. **"System failure"** means
any sudden, unexpected and continuous downtime of **your computer systems** which renders them incapable of supporting their normal business function and is caused by an application bug, an internal network failure or hardware failure.

However, in respect of **INSURING CLAUSE 4 (SECTION F only)**, **system failure** also means any sudden, unexpected and continuous downtime of computer systems used directly by a **supply chain partner** which renders them incapable of supporting their normal business function and is caused by an application bug, an internal network failure or hardware failure.

"System failure" does not mean a **cyber event**.
41. **"Technology services"** means
the supply by **you** of technology services to **your client**, including but not limited to hardware, software, data processing, internet services, data and application hosting, computer systems analysis, consulting, training, programming, installation, integration, support and network management.
42. **"Third party"** means
any person who is not an **employee** or any legal entity that is not the **company**.
43. **"Time franchise"** means
the number of hours stated as the time franchise in the Declarations page.
44. **"War"** means
any physical:

a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war is declared or not), civil war, rebellion, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
b. action taken in controlling, preventing, suppressing or in any way relating to a. above.

45. "We/our/us" means
the underwriters stated in the Declarations page.
46. "You/your" means
the **company, employees and senior executive officers** solely acting in the normal course of the **company's business operations**.

EXCLUSIONS

We will not make any payment under this Policy:

1. **Antitrust**

in respect of **INSURING CLAUSES 7 and 8**, for or arising out of any actual or alleged antitrust violation, restraint of trade, unfair competition, false, deceptive or unfair trade practices, violation of consumer protection laws or false or deceptive advertising.

2. **Associated companies**

- a. in respect of any **claim** made by any company, firm or partnership in which the **company** has greater than a 10% executive or financial interest, unless the **claim** emanates from an independent **third party**;
- b. in respect of any **claim** made by any company, firm, partnership or individual which has greater than a 10% executive or financial interest in the **company**, unless the **claim** emanates from an independent **third party**;
- c. arising out of or resulting from any of **your** activities as a trustee, partner, officer, director or employee of any employee trust, charitable organization, corporation, company or business other than that of the **company**; or
- d. in respect of any **claim** made by or on behalf of the **company** against a **third party**.

3. **Betterment**

which results in **you** being in a better financial position or **you** benefitting from upgraded versions of **your computer systems** as a direct result of the event which gave rise to the claim under this policy.

However, in the event of a hacking attack, malware infection or computer virus, when rebuilding **your computer systems** **we** will pay the additional costs and expenses incurred to install a more secure and efficient version of the affected **computer system**, provided that the maximum amount **we** will pay is 25% more than the cost that would have been incurred to repair or replace the original model or license. Under no circumstances will **we** pay the cost of acquiring or installing **computer systems** which did not form a part of **your computer systems** immediately prior to the incident which gave rise to the claim.

This Exclusion will not apply to **INSURING CLAUSES 1 (SECTION G only) and 4 (SECTION B only)**.

4. **Bodily injury and property damage**

arising directly or indirectly out of **bodily injury** or tangible property damage.

However, this Exclusion will not apply to:

- a. **INSURING CLAUSES 5 (SECTIONS A, B and C only) and 7**, in respect of any **claim** as a direct result of mental injury or emotional distress; and
- b. **INSURING CLAUSE 5 (SECTION F only)**, in respect of any **claim** as a direct result of **bodily injury**.

5. Chargebacks

for any credit card company or bank, wholly or partially, reversing or preventing a payment transaction, unless specifically covered under **INSURING CLAUSE 5 (SECTION E only)** for which **you** have purchased coverage.

6. Core infrastructure failure

arising directly or indirectly out of any:

- a. failure, material degradation or termination of any core element of the internet, telecommunications or GPS infrastructure that results in a regional, countrywide or global outage of the internet or telecommunications network, including a failure of the core DNS root servers, satellite network or the IP addressing system or an individual state or non-state actor disabling all or part of the internet;
- b. failure in the power supply, including where the failure is caused by any surge or spike in voltage, electrical current or transferred energy; or
- c. failure, disruption or reduction in the supply of utilities, including telecommunications, gas and water infrastructure or services.

7. Known claims and circumstances

arising out of any actual or suspected **cyber event, claim, loss, operator error, system failure** or circumstance which might give rise to a claim under this Policy which a **senior executive officer** was aware of, or ought reasonably to have been aware of, prior to the **continuity date**, including any claim or circumstance notified to any other insurer.

8. Liquidated damages, service credits and penalty clauses

for liquidated damages or service credits, or arising out of penalty clauses unless **you** would have been liable in the absence of any contract stipulating the liquidated damages or service credits or penalty clauses.

9. Management liability

for any sums that **your senior executive officers** become legally obliged to pay, including **costs and expenses**, as a result of any **claim** made against them arising out of a **cyber event**.

However, this Exclusion will not apply to **INSURING CLAUSE 5 (SECTION C only)**.

10. Misleading advertising

arising directly or indirectly from any advertisement, promotion or product description that is actually or alleged to be false or misleading.

11. Nuclear

arising directly or indirectly from or contributed to by:

- a. ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component.

12. **Patent infringement**

arising directly or indirectly out of the actual or alleged infringement of any patent or inducing the infringement of any patent.

13. **Product IP infringement**

arising directly or indirectly from the actual or alleged theft or misappropriation of any trade secret by an **employee** from a former employer of theirs or infringement of any intellectual property right by any product manufactured, designed, formulated, licensed, distributed, or sold by **you** or the misappropriation of any trade secret by **you** or a **third party**.

14. **Professional liability**

arising directly out of any negligent advice or professional services provided to a **client** for a fee except when arising directly from a **cyber event**.

However, this Exclusion will not apply to **INSURING CLAUSE 8**.

15. **Property and hardware costs**

for any tangible property repair or replacement including the cost of repairing any hardware or replacing any tangible property or equipment that forms part of **your computer systems**.

However, this Exclusion will not apply to **INSURING CLAUSE 4 (SECTION B only)**.

16. **Terrorism**

arising directly or indirectly out of:

- a. any act or threat of force or violence by an individual or group, whether acting alone or on behalf of or in connection with any organization or government, committed for political, religious, ideological or similar purposes including the intention to influence any government or to put the public, or any section of the public, in fear; or
- b. any action taken in controlling, preventing, suppressing or in any way relating to a. above.

However, this Exclusion does not apply to a **cyber event** affecting **your computer systems** or a **supply chain partner's** computer systems.

17. **Theft of funds held in escrow**

for theft of money or other financial assets belonging to a **third party** from a bank account held by **you** on their behalf.

However, this Exclusion will not apply to **INSURING CLAUSE 2 (SECTION G only)**.

18. **Uninsurable fines**

for fines, penalties, civil or criminal sanctions or multiple, punitive or exemplary damages, unless insurable by law.

19. **Unlawful surveillance**

in respect of any actual or alleged eavesdropping, wiretapping, or unauthorized audio or video recording committed by **you** or by a **third party** on **your** behalf with the knowledge and consent of **your senior executive officers**.

20. **Unsolicited communications**

arising directly or indirectly from any actual or alleged violation of:

- a. the CAN-SPAM Act of 2003 or any subsequent amendments to that Act;
- b. the Telephone Consumer Protection Act (TCPA) of 1991 or any subsequent amendments to that Act; or
- c. any other law, regulation or statute relating to unsolicited communication, distribution, sending or transmitting of any communication via telephone or any other electronic or telecommunications device.

However, this Exclusion will not apply to **INSURING CLAUSE 5 (SECTION A only)**.

21. **War and cyber war**

arising directly or indirectly out of:

- a. **war**; or
- b. **cyber war**.

However, part b. above will not apply to:

- a. **INSURING CLAUSE 1 (SECTION A only)**; and
- b. that part of any claim relating to any computer systems which are physically located outside of an **impacted state**.

22. **Wilful or dishonest acts of senior executive officers**

arising directly or indirectly out of any wilful, criminal, malicious or dishonest act, error or omission by a **senior executive officer** as determined by final adjudication, arbitral tribunal or written admission.

CONDITIONS

1. **What you must do if an incident takes place**

If any **senior executive officer** becomes aware of any incident which may reasonably be expected to give rise to a claim under this Policy, **you** must:

- a. other than in accordance with **CONDITION 2**, notify the **claims manager** as soon as is reasonably practicable and follow their directions. However, this notification must be made no later than the end of any applicable extended reporting period. A telephone call to **our cyber incident response line** or confirmed notification via **our** cyber incident response app will constitute notification to the **claims manager**;
- b. in respect of **INSURING CLAUSES 2 and 3**, report the incident to the appropriate law enforcement authorities;

- c. provide **us** in a timely manner with any other information and assistance that **we** may request; and
- d. in respect of **INSURING CLAUSE 3**, not incur any costs or promise any payment, including any ransom payment, without **our** prior written agreement (which will not be unreasonably withheld); and
- e. in respect of **INSURING CLAUSES 5, 7 and 8**, not admit liability for or settle or make or promise any payment or incur any **costs and expenses** without **our** prior written agreement (which will not be unreasonably withheld).

Due to the nature of the coverage offered by this Policy, any unreasonable delay by **you** in co-operating with or notifying the **claims manager** could lead to the size of the claim increasing or to **our** rights of recovery being restricted. **We** will not be liable for that portion of any claim that is due to any unreasonable delay in **you** co-operating with or notifying the **claims manager** of any incident in accordance with this clause. However, if **you** are prevented from co-operating with or notifying **us** by a legal or regulatory obligation then **your** rights under this Policy will not be affected.

If **you** discover a **cyber event** **you** may only incur costs, other than costs incurred to respond to an extortion demand (including any ransom payment), without **our** prior written consent within the first 72 hours following the discovery and any **third party** costs incurred must be with a company forming part of the **approved claims panel providers**. All other costs may only be incurred with the prior written consent of the **claims manager** (which will not be unreasonably withheld).

We require **you** to provide full details of the incident, including but not limited to:

- a. the time, place and nature of the incident;
- b. the manner in which **you** first became aware of this incident;
- c. the reasons why **you** believe that the incident could give rise to a claim under this Policy;
- d. the identity of any potential claimant; and
- e. an indication as to the size of the claim that could result from this incident.

In respect of in respect of **INSURING CLAUSES 7 and 8**, if **you** notify an incident that **we** agree is reasonably expected to give rise to a **claim**, **we** will accept any **claim** that arises out of the incident as being notified under this Policy.

2. What you must do in the event of a circumstance which could give rise to a claim

In respect of **INSURING CLAUSES 7 and 8**, should a **senior executive officer** become aware of:

- a. a situation during the **period of the policy** that could give rise to a **claim**; or
- b. an allegation or complaint made or intimated against **you** during the **period of the policy**;

then **you** have the option of whether to report this circumstance to **us** or not. However, if **you** choose not to report this circumstance **we** will not be liable for that portion of any **claim** that is greater than it would have been had **you** reported this circumstance.

If **you** choose to report this circumstance **you** must do so no later than the end of any applicable extended reporting period for it to be considered under this Policy and **we** will require **you** to provide full details of the circumstance, including but not limited to:

- a. the time, place and nature of the circumstance;

- b. the manner in which **you** first became aware of this circumstance;
- c. the reasons why **you** believe that this circumstance could give rise to a **claim**;
- d. the identity of the potential claimant; and
- e. an indication as to the size of the **claim** that could result from this circumstance.

Any subsequent **claim** arising directly from this circumstance will be deemed to have been made at the time this circumstance was notified to **us** and **we** will regard this **claim** as having been notified under this Policy.

3. Additional insureds

We will indemnify any **third party** as an additional insured under this Policy, but only in respect of sums which they become legally obliged to pay (including liability for claimants' costs and expenses) as a result of a **claim** arising solely out of an act, error or omission committed by **you**, provided that:

- a. **you** contracted in writing to indemnify the **third party** for the **claim** prior to it first being made against them; and
- b. had the **claim** been made against **you**, then **you** would be entitled to indemnity under this Policy.

Before **we** indemnify any additional insured they must:

- a. prove to **us** that the **claim** arose solely out of an act, error or omission committed by **you**; and
- b. fully comply with **CONDITION 1** as if they were **you**.

Where a **third party** is treated as an additional insured as a result of this Condition, any **claim** made by that **third party** against **you** will be treated by **us** as if they were a **third party** and not as an insured.

4. Agreement to pay claims (duty to defend)

We have the right and duty to take control of and conduct in **your** name the investigation, settlement or defence of any **claim**. **We** will not have any duty to pay **costs and expenses** for any part of a **claim** that is not covered by this Policy.

You may ask the **claims manager** to consider appointing **your** own lawyer to defend the **claim** on **your** behalf and the **claims manager** may grant **your** request if they consider **your** lawyer is suitably qualified by experience, taking into account the subject matter of the **claim**, and the cost to provide a defence.

We will endeavour to settle any **claim** through negotiation, mediation or some other form of alternative dispute resolution and will pay on **your** behalf the amount **we** agree with the claimant. If **we** cannot settle using these means, **we** will pay the amount which **you** are found liable to pay either in court or through arbitration proceedings, subject to the **policy limit** and **incident response limit**.

We will not settle any **claim** without **your** consent. If **you** refuse to provide **your** consent to a settlement recommended by **us** and elect to continue legal proceedings in connection with the **claim**, any further **costs and expenses** incurred will be paid by **you** and **us** on a proportional basis, with 80% payable by **us** and 20% payable by **you**. As a consequence of **your** refusal, **our** liability for the **claim**, excluding **costs and expenses**, will not be more than the amount for which the **claim** could have been settled.

5. Allocation

In the event a claim includes both allegations, persons or matters that are covered under this Policy and allegations, persons or matters that are not covered under this Policy, then **you** and **we** will need to agree a fair and reasonable allocation of this claim, including any **costs and expenses**, judgment or settlement amount.

If **you** and **we** cannot agree a fair and reasonable allocation an **independent expert** will be appointed to determine the allocation. The cost of the **independent expert** will be paid for by **us**. Their determination will be based upon written submissions only and will be final and binding. The **independent expert** will be mutually agreed between **you** and **us** but if **you** and **we** cannot agree on the **independent expert** then the matter will be referred to mediation or arbitration in accordance with **CONDITION 8**.

6. Cancellation

This Policy may be cancelled with 30 days written notice by either **you** or **us**.

If **you** give **us** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect. However, if **you** have made a claim under this Policy there will be no return **premium**.

If **we** give **you** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect.

We also reserve the right of cancellation in the event that any amount due to **us** by **you** remains unpaid more than 60 days beyond the **inception date**. If **we** exercise this right of cancellation it will take effect from 14 days after the date the written notice of cancellation is issued.

The Policy Administration Fee will be deemed fully earned upon inception of the Policy.

7. Continuous cover

If during the period of a previous renewal of this Policy **you** neglected, through error or oversight only, to report to **us** an incident that might give rise to a **claim**, then provided that **you** have maintained uninterrupted insurance of the same type with **us** since expiry of the previous renewal of this Policy, **we** will permit the incident to be reported to **us** under this Policy and **we** will indemnify **you** under this Policy in respect of any **claim** that arises out of the incident, provided:

- a. the indemnity will be subject to the applicable limit of liability of the previous renewal of this Policy under which the incident should have been reported to **us** or the applicable **policy limit** plus the **incident response limit**, whichever is the lower;
- b. **we** may reduce the indemnity entitlement by the monetary equivalent of any prejudice which has been suffered as a result of the delayed notification; and
- c. the indemnity will be subject to all other terms and conditions of this Policy.

We require **you** to provide full details of the incident, including but not limited to:

- a. the time, place and nature of the incident;
- b. the manner in which **you** first became aware of this incident;
- c. reasons why **you** believe that this incident could give rise to a **claim**;

- d. the identity of the potential claimant; and
- e. an indication as to the size of the **claim** that could result from this incident.

For the avoidance of doubt, this Condition only applies to incidents that might give rise to a **claim**.

8. **Dispute resolution**

All disputes or differences between **you** and **us** will be referred to mediation or arbitration and will take place in the country of registration of the company named as the insured in the Declarations page.

In respect of any arbitration proceeding **we** will follow the applicable rules of the arbitration association in the country where the company stated as the insured in the Declarations page is registered, the rules of which are deemed incorporated into this Policy by reference to this Condition. Unless the applicable arbitration association rules state otherwise, a single arbitrator will be appointed who will be mutually agreed between **you** and **us**. If **you** and **we** cannot agree on a suitable appointment then **we** will refer the appointment to the applicable arbitration association.

Each party will bear its own fees and costs in connection with any mediation or arbitration proceeding but the fees and expenses of the arbitrator will be shared equally between **you** and **us** unless the arbitration award provides otherwise.

Nothing in this Condition is intended to remove **your** rights under **CONDITION 22**. However, if a determination is made in any mediation or arbitration proceeding, **CONDITION 22** is intended only as an aid to enforce this determination.

9. **Extended reporting period**

An extended reporting period of 60 days following the **expiry date** will be automatically granted at no additional premium. This extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy:

- a. in respect of **INSURING CLAUSES 7 and 8**, any **claim** first made against **you** during the **period of the policy** and reported to **us** during this extended reporting period;
- b. in respect of **INSURING CLAUSES 1, 2, 3, 4, 5 and 6**, any **cyber event, loss, operator error or system failure** first discovered by **you** during the **period of the policy** and reported to **us** during this extended reporting period; and
- c. any circumstance that a **senior executive officer** became aware of during the **period of the policy** and reports to **us** during this extended reporting period.

No claim will be accepted by **us** in this 60 day extended reporting period if **you** are entitled to indemnity under any other insurance, or would be entitled to indemnity under such insurance if its limit of liability was not exhausted.

10. **Optional extended reporting period**

If **we** or **you** decline to renew or cancel this Policy then **you** will have the right to have issued an endorsement providing an optional extended reporting period for the duration stated in the Declarations page which will be effective from the cancellation or non-renewal date.

This optional extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy:

- a. in respect of **INSURING CLAUSES 7 and 8**, any **claim** first made against **you** and reported to **us** during this optional extended reporting period, provided that the **claim** arises out of any act, error or omission committed prior to the date of cancellation or non-renewal; and
- b. in respect of **INSURING CLAUSES 1, 2, 3, 4, 5 and 6**, any **cyber event, loss, operator error or system failure** first discovered by **you** during this optional extended reporting period, provided that the **cyber event, loss, operator error or system failure** first occurred during the **period of the policy**.

If **you** would like to purchase the optional extended reporting period **you** must notify **us** and pay **us** the optional extended reporting period premium stated in the Declarations page within 30 days of cancellation or non-renewal.

The right to the optional extended reporting period will not be available to **you** where cancellation or non-renewal by **us** is due to non-payment of the **premium** or **your** failure to pay any amounts in excess of the applicable **policy limit** and **incident response limit** or within the amount of the applicable **deductible** as is required by this Policy in the payment of claims.

At the renewal of this Policy, **our** quotation of different **premium, deductible**, limits of liability or changes in policy language will not constitute non-renewal by **us**.

11. **Fraudulent claims**

If it is determined by final adjudication, arbitral tribunal or written admission by **you**, that **you** notified **us** of any claim knowing it to be false or fraudulent in any way, **we** will have no responsibility to pay that claim, **we** may recover from **you** any sums paid in respect of that claim and **we** reserve the right to terminate this Policy from the date of the fraudulent act. If **we** exercise this right **we** will not be liable to return any **premium** to **you**. However, this will not affect any claim under this Policy which has been previously notified to **us**.

12. **Innocent non-disclosure**

We will not seek to avoid the Policy or reject any claim on the grounds of non-disclosure or misrepresentation except where the non-disclosure or misrepresentation was reckless or deliberate.

13. **Insolvency**

Your insolvency will not relieve **us** of any of **our** legal obligations under this contract of insurance where this insolvency does not give rise to a claim under this Policy.

14. **Mergers and acquisitions**

If **you** acquire an entity during the **period of the policy** whose annual revenue does not exceed 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary**.

If **you** acquire an entity during the **period of the policy** whose annual revenue exceeds 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary** for a period of 45 days.

We will consider providing cover for the acquired entity after the period of 45 days if:

- a. **you** give **us** full details of the entity within 45 days of its acquisition; and
- b. **you** accept any amendment to the terms and conditions of this Policy or agree to pay any additional **premium** required by **us**.

In the event **you** do not comply with a. or b. above, cover will automatically terminate for the entity 45 days after the date of its acquisition.

Cover for any acquired entity is only provided under this Policy for any act, error or omission committed on or after the date of its acquisition.

No cover will be automatically provided under this Policy for any acquired entity:

- a. whose business activities are materially different from **your** business activities;
- b. that has been the subject of any lawsuit, disciplinary action or regulatory investigation in the 3 year period prior to its acquisition; or
- c. that has experienced a **cyber event** in the 3 year period prior to its acquisition, if the **cyber event** cost more than the highest **deductible** of this Policy.

If during the **period of the policy** **you** consolidate, merge with or are acquired by another entity then all coverage under this Policy will terminate at the date of the consolidation, merger or acquisition unless **we** have issued an endorsement extending coverage, and **you** have agreed to any additional **premium** and terms of coverage required by **us**.

15. **Our rights of recovery**

If **we** make any payment under this Policy and **you** have any right of recovery against a **third party** in respect of this payment, then **we** will maintain this right of recovery. **You** will do whatever is reasonably necessary to secure this right and will not do anything after the event which gave rise to the claim to prejudice this right.

We will not exercise any rights of recovery against any **employee** or **senior executive officer**, unless this is in respect of any fraudulent or dishonest acts or omissions as proven by final adjudication, arbitral tribunal or written admission by the **employee** or **senior executive officer**.

Any recoveries will be applied as follows:

- a. towards any recovery expenses incurred by **us**;
- b. then to **us** up to the amount of **our** payment under this Policy, including **costs and expenses**;
- c. then to **you** as recovery of **your deductible**.

16. **Proceeds of crime recovery**

Notwithstanding **CONDITION 15**, if **we** have reimbursed **you** for any claim under **INSURING CLAUSES 2 and 3** that subsequently relates to any proceeds of crime that have been forfeited to or seized by any law enforcement authority, or confiscated as part of any legal proceeding, **you** must:

- a. notify **us** as soon as practicable in the event **you** become aware of the forfeiture, seizure or confiscation;
- b. provide **us** with any assistance **we** may request in the recovery of these proceeds of crime, including **your** automatic consent for **us** to initiate, progress secure and finalize any investigation in the recovery; and
- c. reimburse to **us** upon **our** request that part of any payment **we** have made which falls within the amount of any proceeds of crime that **you** have recovered.

17. **Prior subsidiaries**

Should an entity cease to be a **subsidiary** after the **inception date**, cover in respect of the entity will continue as if it was still a **subsidiary** during the **period of the policy**, but only in respect of an act, error, omission or event occurring prior to the date that it ceased to be a **subsidiary**.

18. **Process for paying business interruption losses**

In respect of **INSURING CLAUSE 4**, in the event of a claim for any financial loss sustained by **you**, **you** must provide the **claims manager** with **your** calculation of the financial loss including.

- a. how the loss has been calculated and what assumptions have been made; and
- b. relevant supporting documents including but not limited to account statements, sales projections, invoices, profit and loss statements, payroll records, **client** contracts and tax records.

If **we** do not agree with **your** calculation of the financial loss, **we** will appoint an expert which will be paid for by **us** to assist the **claims manager** with adjustment of **your** claim.

We may make interim payments to **you** prior to the final settlement of the claim, subject to **you** providing **us** with sufficient evidence to support the requirement of an interim payment and **we** agree the financial loss is covered at the time of the interim payment. Any interim payment will form part of the total amount payable by **us** under the Policy in relation to the claim and will be deducted from the total claim amount payable by **us** to **you**. If any overpayment is made by **us** as a result of any interim payment then **you** will reimburse that amount to **us** upon **our** request.

19. **Process for paying privacy breach notification costs**

Any **privacy breach** notification transmitted by **you** or on **your** behalf must be done with **our** prior written consent. **We** will ensure that notification is compliant with any legal or regulatory requirements and contractual obligations. No offer must be made for financial incentives, gifts, coupons, credits or services unless with **our** prior written consent which will only be provided if the offer is commensurate with the risk of harm.

We will not be liable for any portion of the costs **you** incur under **INSURING CLAUSE 1 (SECTION E only)** that exceed the costs that **you** would have incurred had **you** gained **our** prior written consent. In the absence of **our** prior written consent **we** will only be liable to pay **you** the equivalent cost of a notification made using the most cost effective means permissible under the governing law.

20. Sanctions suspension

It is a condition under this Policy that the provision of cover, the payment of any claim and the provision of any benefit will be suspended, to the extent that the provision of the cover, payment of the claim or provision of the benefit would expose **us** to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, Canada, the European Union, United Kingdom or United States of America. The suspension will continue until such time **we** would no longer be exposed to the sanction, prohibition or restriction.

21. Supply chain interruption events

In respect of **INSURING CLAUSE 4 (SECTION F only)**, it is a condition precedent to liability under this Policy that **you** submit to **us** a written report from the **supply chain partner** confirming the root cause and length of the outage.

22. Choice of law and jurisdiction

This Policy will be interpreted under, governed by and construed in all respects in accordance with the law of the jurisdiction of the place of registration of the company named as the insured in the Declarations page and **we** and **you** agree to submit to the exclusive jurisdiction of the courts within the territorial limits and jurisdiction of the place of registration of the company named as the insured in the Declarations page.

STATUTORY CONDITIONS

These Statutory Conditions apply with respect to all perils covered under this Policy, including liability coverage where provided. These conditions may be modified or supplemented by agreement. Where a condition is listed below that relates to a peril that has not been purchased by the insured under this Policy, then that condition may be disregarded.

If any condition below conflicts with the Statutory Conditions in force in the Province where the company named as the insured in the Declarations page is registered, then this condition may be amended to conform to the applicable Statutory Conditions.

1. Misrepresentation

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

2. Property of others

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

3. Change of interest

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

4. Material change

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

5. Requirements after loss

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

6. Termination

- a. The contract may be terminated:
 - i. by the Insurer giving to the insured (15) days' notice of termination by registered mail or (5) days' written notice of termination personally delivered by prepaid courier if there is a record by the person who delivered it that the notice has been sent; or

- ii. by the insured at any time on request.
- b. If the contract is terminated by the Insurer:
 - i. the Insurer shall refund the excess of premium actually paid by the insured over the proportionate premium for the expired time, but in no event shall the proportionate premium for the expired time be less than any minimum retained premium specified in the contract; and
 - ii. the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- c. If the contract is terminated by the insured, the Insurer shall refund as soon as practicable the excess of the premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- d. The refund may be made by money, postal or express company money order or cheque.
- e. The (15) day period referred to in subparagraph (a)(i) of this condition starts to run on the day following the receipt of the registered letter at the post office to which it is addressed. The (5) days mentioned in subparagraph (a)(i) of this condition starts to run on the day following the day there is a record by the person who delivered it that the notice has been sent.

7. Fraud

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

8. Who may give notice and proof

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

9. Salvage

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

10. Entry, control, abandonment

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

11. Appraisal

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

12. When loss payable

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

13. Repair or replacement

- a. The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty (30) days after receipt of the proofs of loss.
- b. In that event the Insurer shall commence to so repair, rebuild or replace the property within forty-five (45) days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

14. Action

Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within 1 year next after the loss or damage occurs, unless legislation provides otherwise.

15. Notice

- a. Written notice may be given to the Insurer in the following ways;
 - i. It may be personally delivered at the chief agency or head office of the Insurer in the Province.
 - ii. It may be sent by registered mail to the chief agency or head office of the Insurer in the Province.
 - iii. It may be delivered by electronic means.
- b. Written notice may be given to the insured named in the contract in the following ways:
 - i. It may be personally delivered.
 - ii. It may be delivered by prepaid courier to the latest address of the insured on the records of the Insurer if there is a record by the person who has delivered it that the notice has been sent.
 - iii. It may be sent by registered mail to the latest address of the insured on the records of the insurer.
 - iv. It may be delivered by electronic means, if the insured consents to delivery by electronic means.
- c. In this condition, the expression "registered" means registered in or outside Canada.

SUBSCRIPTION NOTICE

IN CONSIDERATION OF THE INSURED having paid or agreed to pay each of the INSURERS named in the List of Subscribing Companies forming part hereof, or to INSURERS whose names are substituted therefor or added thereto by endorsement, hereinafter called "THE INSURERS", the Premium set against its name in the List of Subscribing Companies (attached hereto),



THE INSURERS SEVERALLY AND NOT JOINTLY agree, each for the Sum(s) Insured or Percentage(s) and for the Coverage(s) Insured set against its name in the List of Subscribing Companies, and subject always to the terms and conditions of this Policy, that if a loss occurs for which insurance is provided by this Policy at any time while it is in force, they will indemnify the INSURED against the loss so caused; the liability of each insurer individually for such loss being limited to that proportion of the loss payable according to the terms and conditions of this Policy which the Sum Insured or the amount corresponding to the Percentage set against its name in the List of Subscribing Companies, or such other sum or percentage as may be substituted therefor by endorsement, bears to the total of the sums insured or of the amounts corresponding to the percentages of the sums insured respectively set out against the coverage concerned in the Declarations page(s).

Wherever in this Policy, or in any endorsement attached hereto, reference is made to "The Company", "The Insurer", "This Company", "we", "us", or "our", reference will be deemed to be made to each of the Insurers severally.

This policy is made and accepted subject to the foregoing provisions, and to the other provisions, stipulations and conditions contained herein, which are hereby specially referred to and made a part of this Policy, as well as such other provisions, agreements or conditions as may be endorsed hereon or added hereto.

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

Summary of Amendments

PREAMBLE

Amended to confirm that as an added benefit to the Policy, proactive cyber attack prevention services are provided to **you**.

INSURING CLAUSES

INSURING CLAUSE 1: CYBER INCIDENT RESPONSE

SECTION E: PRIVACY BREACH MANAGEMENT COSTS

Part a. amended to clarify intent regarding any **privacy breach** notification that **you** are not legally obliged to make.

SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS

Final paragraph updated to amend language from “provided that **you** have contractually indemnified the **third party**” to “provided that **you** are contractually required to indemnify the **third party**” to clarify intent.

SECTION G: POST BREACH REMEDIATION COSTS

The Section has been amended to reflect scope of cover, noting this Section will apply to all coverages under INSURING CLAUSE 1 and to reflect **claims manager** definition.

INSURING CLAUSE 2: CYBER CRIME

SECTION A: FUNDS TRANSFER FRAUD

This Section has been amended to clarify intent, referencing the “**company’s**” funds or money as opposed to “**your**” funds or money.

SECTION B: INVOICE MANIPULATION

This is a new cover to reimburse **you** for **loss** as a direct result of theft committed by a **third party** of a **client’s** money or other financial assets that the **client** intended to send to **you** for the provision of goods and services, but which **you** did not receive as a result of fraudulent electronic communications designed to impersonate a **senior executive officer** or **employee**.

SECTION C: NEW VENDOR FRAUD

This is a new cover to reimburse **you** for **loss** as a direct result of a fraudulent **third party** posing as a legitimate vendor of goods or services with whom **you** are transacting for the first time, resulting in **you** paying for goods or services that **you** did not receive.

SECTION D: PHYSICAL GOODS FRAUD

This is a new cover to reimburse **you** for **loss** as a direct result of a **third party** committing any phishing, vishing or other social engineering attack against an **employee** or **senior executive officer** that results in **you** sending the **company’s** tangible property or goods to an unintended party. However, this Section will not cover **loss** as a result of a legitimate customer not paying or refusing to pay for tangible property or goods that **you** have sent.

SECTION E: THEFT OF PERSONAL FUNDS

Previously SECTION C, this Section has been amended to clarify intent that no payment will be made under this Section for any cryptoasset belonging to a **senior executive officer**.

SECTION F: CORPORATE IDENTITY THEFT

Previously SECTION E, this Section has been amended to clarify intent, including a clearer list of examples for what the Section covers.

SECTION G: THEFT OF FUNDS HELD IN ESCROW

Previously SECTION B, this Section has been amended to clarify that the bank account needs to be held in **your** name and to affirmatively cover social engineering attacks committed by a **third party** against **you**.

SECTION H: THEFT OF CLIENT FUNDS

This is a new Section to reimburse **you** for **loss** as a direct result of **you** having to reimburse a **client** for theft of the **client’s** money or other financial assets from a **client’s** bank account that **you** had access to, provided that the theft was as a result of a social engineering attack committed against **you** by a **third party**.

SECTION I: CUSTOMER PAYMENT FRAUD

Previously SECTION G and titled “PUSH PAYMENT FRAUD”, this Section has been renamed and amended to clarify intent.

SECTION J: TELEPHONE HACKING

Previously SECTION F.

SECTION K: UNAUTHORISED USE OF COMPUTER RESOURCES

Previously SECTION H.

REMOVED SECTIONS:

EXTORTION (now included as a stand-alone INSURING CLAUSE).

INSURING CLAUSE 3: CYBER EXTORTION	This cover is now included as a stand-alone INSURING CLAUSE. This cover has been amended to reflect intent that we will pay on behalf of the company any ransom in response to an extortion demand made against you , as well as the reasonable and necessary costs incurred to respond to the extortion demand.
INSURING CLAUSE 4: SYSTEM DAMAGE AND BUSINESS INTERRUPTION	Previously INSURING CLAUSE 3.
SECTION B: HARDWARE REPLACEMENT COSTS	Previously Section G, this Section has been amended to clarify intent. A new paragraph has also been added to clarify that we will pay the reasonable costs to purchase and install temporary computer hardware or tangible equipment that are necessary in the interim for the sole purpose of facilitating the recovery of your data or systems during the remediation phase of the cyber event .
SECTION C: INCOME LOSS AND EXTRA EXPENSE	Previously SECTION B, this Section has been amended to include operator error as a trigger, as well as new definition time franchise .
SECTION D: EMERGENCY AND ADDITIONAL OPERATIONAL CONTINUITY COSTS	Previously SECTION C and titled "ADDITIONAL EXTRA EXPENSE", this Section has been renamed to clarify intent and amended to include operator error as a trigger, as well as the new definition time franchise .
SECTION E: VOLUNTARY AND REGULATORY SHUTDOWN	This is a new cover to reimburse you for income loss and extra expense as a result of an interruption to your business operations where it was reasonable and necessary for you to take your computer systems offline to manage a cyber event or a where a governmental entity or regulatory body expressly requires you to take your computer systems offline in response to a cyber event .
SECTION F: DEPENDENT BUSINESS INTERRUPTION	Previously Section D, this Section has been amended to include operator error as a trigger, as well as new definition time franchise .
SECTION G: CONSEQUENTIAL REPUTATIONAL HARM	Previously Section E.
SECTION H: LOST OR MISSED BIDS	This is a new cover to reimburse you for your income loss sustained during the reputational harm period as a result of your failure to make or win a bid or request for proposal for a contract arising directly from a cyber event .
SECTION I: CLAIM PREPARATION COSTS	The Section has been amended to reflect scope of cover and clarify intent, noting this Section will apply to all coverages under INSURING CLAUSE 4 and to reflect claims manager definition.
INSURING CLAUSE 5: NETWORK SECURITY & PRIVACY LIABILITY	Previously INSURING CLAUSE 4.
SECTION C: MANAGEMENT LIABILITY	The Section has been amended to clarify intent and include specific reference to your Chief Information Security Officer, Chief Information Officer, Chief Technology Officer or their functional equivalents.
SECTION D: REGULATORY FINES, PENALTIES AND INVESTIGATION COSTS	This Section was previously called "REGULATORY FINES" and has been renamed to reflect scope of cover.
SECTION F: CONTINGENT BODILY INJURY	This new Section provides liability cover for any claim arising out of bodily injury caused as a direct result of a cyber event affecting your computer systems [provided you are not entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance].
INSURING CLAUSE 6: CRIMINAL REWARD COVER	This is a new Insuring Clause which provides cover for amounts payable to a person or organization (except for the auditor of the company or manager or supervisor of such auditor) for providing information which directly contributes to and results in the arrest and conviction of a threat actor who is committing or has committed any illegal act directly relating to a claim covered under INSURING CLAUSES 1, 2, 3, 4 or 5.
INSURING CLAUSE 7: MEDIA LIABILITY	Previously INSURING CLAUSE 5, this INSURING CLAUSE has been amended to include language to clarify that the Policy responds to claims made during the period of the policy or any applicable optional extended reporting period. Language has also been included to reflect intent to cover any media content that has been created by artificial intelligence, or where such programs have been used to assist in the creation of the same.

INSURING CLAUSE 8: TECHNOLOGY ERRORS AND OMISSIONS	Previously INSURING CLAUSE 6, this INSURING CLAUSE has been amended to include language to clarify that the Policy responds to claims made during the period of the policy or any applicable optional extended reporting period.
INSURING CLAUSE 9: COURT ATTENDANCE COSTS	Previously INSURING CLAUSE 7.
HOW MUCH WE WILL PAY	Language updated to clarify how your limits will operate, with the policy limit and the incident response limit provided on an each and every claim basis for INSURING CLAUSES 1, 2, 3, 4 and 6. In respect of INSURING CLAUSES 5, 7, 8 and 9, the maximum amount payable under the Policy in total will be the policy limit . This language has also been updated to reflect how payment will be made for certain new coverages, where relevant.
YOUR DEDUCTIBLE	Language updated to reflect updated intent that the deductible will operate on a single aggregate basis and is the maximum amount you will be liable to pay for all claims under this Policy (other than any portion of a claim covered under a Section with a nil deductible applicable). The application of the time franchise has also been included.
DEFINITIONS	
New Definitions	<p>The following Definitions have been added:</p> <p>"Bodily injury"</p> <p>"Claims managers" (replaces the definition of "cyber incident manager")</p> <p>"Independent expert"</p> <p>"Operator error"</p> <p>"Time franchise" (replaces the definition of "waiting period")</p>
Amended Definitions	<p>The following Definitions have been amended:</p> <p>"Client"</p> <p>Updated to include reference to the supply of "products" by you.</p> <p>"Computer systems"</p> <p>Updated to include reference to supervisory control and data acquisition (SCADA) systems, industrial control systems and other similar operational technology.</p> <p>"Costs and expenses"</p> <p>Updated to clarify that prior written consent will not be unreasonably withheld and to reference claims managers.</p> <p>"Cyber event"</p> <p>Updated to reference an attack that utilises artificial intelligence and actions of a rogue employee.</p> <p>"Period of the policy"</p> <p>Updated in line with structural changes.</p> <p>"Privacy breach"</p> <p>Updated to clarify that this includes information in an electronic, paper or audio format.</p> <p>"Subsidiary"</p> <p>Updated to clarify that majority ownership means more than 50% ownership.</p> <p>"System failure"</p> <p>Updated to reflect structural changes.</p>

Deleted Definitions	<p>The following Definitions have been deleted:</p> <p>"Cyber incident manager" (replaced by claims managers definition)</p> <p>"Waiting period" (replaced by time franchise definition)</p>
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EXCLUSIONS

Amended Exclusions	<p>The following Exclusions have been amended:</p> <p>Bodily injury and property damage</p> <p>Updated to reflect structural changes and new cover.</p> <p>Core infrastructure failure</p> <p>Renamed to reflect scope and amended to incorporate infrastructure failures beyond the internet, such as power and utilities.</p> <p>Known claims and circumstances</p> <p>Updated to reflect new coverage triggers.</p> <p>Exclusions updated to reflect structural changes:</p> <p>Antitrust</p> <p>Betterment</p> <p>Chargebacks</p> <p>Management liability</p> <p>Professional liability</p> <p>Property and hardware costs</p> <p>Theft of funds held in escrow</p> <p>Unsolicited communications</p>
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Deleted Exclusions	<p>The following Exclusions have been deleted:</p> <p>Business interruption liability</p> <p>Domain name suspension or revocation</p> <p>Insolvency</p> <p>Loss of economic value</p> <p>Payment card industry related fines, penalties and assessments</p> <p>Power and utility failure (incorporated into Core infrastructure failure Exclusion)</p> <p>Regular hours staff costs</p>
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CONDITIONS

New Conditions

The following Conditions have been added:

Allocation

Provides clarity on what happens in the event that a **claim** involves matters that are covered and matters that are not covered and how this will be resolved.

Insolvency

Clarifies that **your** insolvency will not relieve **us** of our legal obligations under the Policy where the insolvency does not give rise to a **claim** under the Policy.

Proceeds of crime recovery

Provides clarity on what **you** must do in the event that **you** become aware of law enforcement seizing, forfeiting or confiscating any proceeds of crime covered under INSURING CLAUSES 2 and 3.

Amended Conditions

The following Conditions have been amended:

What you must do if an incident takes place

In addition to structural changes and reference to **claims manager**, this Condition has been updated as follows:

- New part c. added to ensure information and assistance is provided to **us** in a timely manner.
- New part d. added, requiring **you** not to incur any costs or promise to make any payment without our prior written consent (which will not be unreasonably withheld) in respect of INSURING CLAUSE 3.
- New paragraph added requiring **you** to provide **us** with full details of any incident notified.
- New paragraph to clarify intent that in respect of INSURING CLAUSES 7 and 8, if **you** notify an incident that **we** agree is reasonably expected to give rise to a **claim**, **we** will accept any **claim** that arises out of the incident as being notified under this Policy.

What you must do in the event of a circumstance which could give rise to a claim

Amended to reflect structural changes.

Agreement to pay claims (duty to defend)

Amended to include reference to **claims manager**.

Continuous cover

Language updated to clarify intent and new paragraph added:

- Requiring **you** to provide **us** with full details of any incident notified.
- To clarify that this Condition only applies to incidents that might give rise to a **claim**.

Dispute resolution

Amended to reflect structural changes.

Extended reporting period

Amended to reflect structural changes and reference **operator error**.

Optional extended reporting period

Amended to clarify how the optional extended reporting period applies to different coverage parts, as well as reference **operator error**.

Our rights of recovery

Amended to clarify that any recoveries will be paid in the following updated order:

- a. Recovery expenses to **us**.
- b. The amount of our payment under the policy, including **costs and expenses to us**.
- c. The amount of any paid deductible to **you**.

Process for paying business interruption losses

Amended to clarify what information **you** must provide the **claims manager** regarding **your** calculation of financial loss, what happens if **we** do not agree with this calculation and how any interim payment will be treated.

BY-LAW 25-27

THE CORPORATION OF THE TOWNSHIP OF THE NORTH SHORE

**Being a bylaw to confirm the proceedings of Council
at its Special Council Meeting of September 2nd, 2025.**

The Council of the Corporation of the Township of The North Shore hereby enacts as follows:

WHEREAS Section 5(3) of the *Municipal Act, 2001, S. O. 2001, c.25*, as amended requires municipal Council to exercise a municipal power including a municipality's capacity, rights, powers and privileges under Section 9, by by-law unless the municipality is specifically authorized to do otherwise;

AND WHEREAS the Corporation of the Township of the North Shore deems it desirable to confirm the proceedings of Council at its Special Council Meeting of September 2nd, 2025.

NOW THEREFORE the Council of the Corporation of the Township of the North Shore hereby enacts as follows:

1. That each motion, resolution, and other action passed and taken by the Council at its Special Council meeting of September 2nd, 2025, is hereby adopted, and ratified and confirmed.
2. The Head of Council and the proper officers of the Corporation of the Township of the North Shore are hereby authorized and directed to do all things necessary to give effect to the said action or to obtain approval where required and except where otherwise provided, the Mayor and the Clerk, or if absent, the designate, are hereby directed to affix the Corporate Seal of the Municipality to all such documents.

**READ A FIRST, SECOND AND THIRD TIME ENACTED AND FINALLY PASSED
THIS 2nd DAY OF SEPTEMBER 2025.**

Tony Moor, Mayor

Rachel Jean Schneider, Clerk/Deputy Treasurer